Austria ... Sch. 18	Indonesia ... Rp 2500	Portugal ... Esc 80
Bahrain ... Din.0.650	Italy ... L 1300	S. Arabia ... Rls 6.00
Belgium ... BFr.42	Japan ... Y550	Singapore ... S$ 4.10
Canada ... C$1.00	Jordan ... Fils 500	Spain ... Pta 110
Cyprus ... C£0.60	Kuwait ... Fils 600	Sri Lanka ... Rup 30
Denmark ... Dkr.7.25	Lebanon ... £l 3.00	Sweden ... Skr 6.50
Egypt ... E£1.00	Luxembourg ... LFr.42	Switzerland SFr 2.20
Finland ... Fmk 6.00	Malaysia ... Rm 4.25	Taiwan ... NT $35
France ... FFr. 6.00	Mexico ... Pes. 300	Tunisia ... Din 0.600
Germany ... DM 2.20	Morocco ... Dh 6.90	Turkey ... L 210
Greece ... Dr 70	Netherlands ... Fl 2.50	U.A.E. ... Dh 6.50
Hong Kong ... HK$ 12	Norway ... Nkr. 6.00	U.S.A. ... $1.00
India ... Rup. 15	Philippines ... Pes. 20	

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Re onses t U. budg cuts, age

World news

'Dissident' seized at home of Nkomo

Zimbabwe police seized guns used by opposition leader Joshua Nkomo's bodyguards in order to investigate "certain crimes" the authorities believe may have been committed by members of his Zapu Party.

Later, according to a parliamentary statement, police arrested a "dissident" in Nkomo's Bulawayo home. Nkomo was present when the arrest was made, but had nothing to say.

Police moves against Nkomo's bodyguards followed last week's Cabinet reshuffle in which Enos Nkala, a bitter opponent of Nkomo, was appointed Minister of Home Affairs with responsibility for the police. Page 3

Arms study approved

U.S. President Ronald Reagan approved a study which could be the basis for future arms transfers to Middle East countries, White House spokesman Larry Speakes said.

False passports

The pair charged in New Zealand with murder and sabotage in the sinking of the protest ship Rainbow Warrior gave police false Swiss passports listing their names as Alain and Sophie Turenge, the Swiss Government said.

Opec compromise

A majority of Opec countries looked almost certain to agree a compromise to cut official heavy crude oil prices by 50 cents a barrel and medium crudes by 20 cents a barrel.

Dam owner arrested

Giulio Rota, one owner of the Tesero dam which burst on Friday, killing about 200 people, is under arrest after giving himself up to police. Meanwhile, the EEC has pledged L1.5bn ($786,000) aid for victims. Page 2

Diplomat shot

Jordanian First Secretary Ziyad al-Sati, 43, was killed while driving his car in Ankara, Turkey, the latest in a string of attacks against Jordanian officials.

Hijack film subpoena

The U.S. Justice Department subpoenaed ABC, CBS and NBC television networks for all coverage of last month's TWA hijacking in Beirut in an effort to identify the hijackers. Page 4

Bonn clean air plan

The West German Cabinet approved clean air guidelines placing strict limits on heavy metals and carcinogens, which will require industry to invest more than DM 10bn ($3.5bn) in coming years.

Back seat drive

Britain will require rear seat belts or child restraints in all cars built after October 1986, but it will not make their use compulsory.

Oil site attacked

Guatemalan guerrillas attacked an oil-prospecting site of the Spanish-based firm, Compania Hispanica de Petroleos, the army said.

Iran captures marsh

Iran said it captured 11 sq km of marshland in southern Iraq, killing or wounding hundreds of Iraqi troops and capturing 21.

Monsoon kills 115

India's monsoon rains have killed 115 people, with at least 12 swept away by flash floods in Uttar Pradesh state.

Modern history

Bonn Cabinet approved a DM 102m ($33m) plan for a museum devoted exclusively to history of West Germany since its foundation at the end of the second world war and the division of Germany into east and west.

Business summary

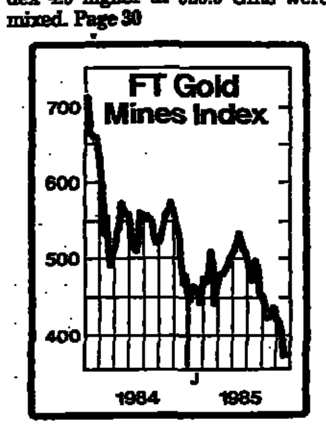
Du Pont profit plunges by 39%

DU PONT, U.S. chemicals group, suffered a 39 per cent decline in earnings during the second quarter after a 6 per cent fall in sales. Page 11

WALL STREET: At 3pm the Dow Jones industrial average was 9.63 lower at 1,342.18. Page 30

TOKYO stocks moved higher as banks and budget-real related issues were sought. The Nikkei-Dow market average put on 14.20 to 12,777.03. Page 30

LONDON equities made cautious progress with the FT Ordinary index 4.9 higher at 926.0 Gilts were mixed. Page 30



FT GOLD MINES index fell 17.4 to 369.3, a 32-month low, following the French Government's embargo on new investment in South Africa. Australian Golds were the main beneficiaries. Page 26

DOLLAR was firmer in London, rising to DM 2.8875 (DM 2.8505), FFr 8.77 (FFr 8.66), SwFr 2.367 (SwFr 2.34) and Y239.75 (Y237.9). On Bank of England figures, the dollar's index improved to 138.7 from 137.4. Page 23

STERLING weakened in late London trading losing 1.4 cents against the dollar to $1.397. It also fell to Y335.0 (Y336.0) but was firmer at DM 4.035 (DM 4.03), FFr 12.23 (FFr 12.21) and SwFr 3.3075 (SwFr 3.3025). The pound's exchange rate index fell 0.1 to 84.1. Page 23

GOLD: In New York the Comex August settlement was $319.30. Gold fell $3.75 on the London bullion market to $318.25 and also lost ground in Zurich to $318.00. Page 22

SUGAR: EEC Commissioners agreed new restrictions, which must be approved by ministers, that will hit sugar producers and starch processors. Page 22

U.S. STEEL output fell sharply in the first half of this year, but European Community and Japanese production rose slightly, the International Iron and Steel Institute said.

POLAND'S industrial output is well below target and its trade surplus with the West is shrinking while its debts rise, according to official figures for the first half of 1985.

THE SWISS Broadcasting Corporation, Antenne 2 of France, Channel 4 of Britain, ORF of Austria, RAI of Italy and ZDF of West Germany, signed an accord to establish joint production to compete with American television hits like "Dallas"

AT&T-PHILIPS Telecommunications, the U.S.-Dutch joint venture posted a loss of Fl 58m ($17.47m) on turnover of Fl 603m during 1984, the first year of operations. Page 11

BULL, the French nationalised computer group, reached break-even in the first half of this year after suffering losses of FFr 258m ($29m) in the previous corresponding term and a FFr 489m deficit for all of 1984. Page 11

TENNECO, the Houston-based conglomerate, reported second-quarter net income of $164m compared with $220m in the previous corresponding period. Page 11

TRANS-NATAL COAL, a subsidiary of the South African Gencor group, is raising its final dividend to 35 cents, taking the total payout for the year to 65 cents, compared with 60 cents last year. Page 11

France suspends new investments in South Africa

BY PAUL BETTS IN PARIS AND ROBERT MAUTHNER IN LONDON

FRANCE yesterday mounted the toughest sanctions yet by a Western country against South Africa in the wake of Pretoria's declaration of a state of emergency last weekend.

Paris last night suspended all new investments in South Africa, recalled its ambassador from Pretoria and introduced a resolution at the United Nations Security Council condemning apartheid policies and the suppression of human rights in South Africa.

The South African government did not immediately respond to the French moves, but Mr Pik Botha, its Foreign Minister, accused the foreign media of gullibility in portraying the Government's opponents as Western-style democrats when they secretly planned a Marxist tyranny.

"Their aim is to emotionally unite the international community against the Government with the aim of the total isolation of South Africa," said Mr Botha.

The immediate reaction of French business to the sanctions was one of regret that companies could no longer work in "one of the rare viable countries in the African continent." But many businessmen also pointed out that the alarming political situation was already making them reconsider new investments there.

Elsewhere in Europe, the French move was seen as breaking the European Community's carefully constructed joint position on South Africa declared by EEC Foreign Ministers on Monday.

Under pressure to take firm action from within its own Socialist Party and also from the communists, the French Government yesterday made it clear that it was not satisfied by the EEC declaration calling for an end to the state of emergency.

Officials in the Prime Minister's office said that the suspension covered new investments but that commercial relations with South Africa would not be broken off at this stage. They claimed that France accounted for 5 per cent of foreign investment in South Africa.

It was acknowledged that the investment sanction would be difficult to police but officials pointed to the large presence in South Africa of France's nationalised banks. Altogether some 150 French companies have operations in the republic.

France is believed to be the fifth largest lender to South Africa after the UK, the U.S., Japan and West Germany. Total French bank loans outstanding were understood to total FFr 21.14bn ($2.42bn) at the end of last year.

The suspension of investments could have an impact on South Africa's nuclear industry. South Africa has currently only one nuclear reactor at the Koeberg power plant supplied by France. In the energy field, Total, the French oil company, has interests in a 3.7m tonnes a year refinery, stakes in two coal mines and a petrol station distribution network.

Apart from Total, the other main French companies expected to be affected by the suspension of investments are CGEE Alsthom and Merlin Guerin in the electrical equipment sector, L'Air Liquide involved in coal gasification, the Renault and Peugeot motor groups, and the Rhône-Poulenc nationalised chemicals group.

Yesterday's announcement marks a departure from the Paris Government's earlier attitude to sanctions against South Africa. It had indicated as recently as May that it felt that imposing sanctions would probably have little effect

Continued on Page 10

Number of detainees rises, Page 2

Thatcher gets a warning shot from Tory MPs

By Peter Riddell, Political Editor, in London

BRITAIN'S Conservative Government intends to press ahead with the large, staged increases in pay for senior civil servants, armed services chiefs and judges, despite the largest House of Commons revolt by its own backbenchers this parliament in the early hours of yesterday.

The Conservative rebellion at 2 am blew up like a summer storm with unexpected intensity. Similarly, it may blow away equally quickly, with the Commons summer recess starting tomorrow afternoon. But the damage from the storm may take some time to clear up.

A total of 48 Conservative MPs voted against the Government, and at least 25 to 30 more abstained, on an order to increase the salary of the Lord Chancellor – Britain's highest legal officer – after a debate in which several members attacked the Government for insensitivity and arrogance. The Government majority was cut to 17, nearly 130 less than its normal margin over all other parties.

Mrs Margaret Thatcher, the Prime Minister, was yesterday officially described as being relaxed, though disappointed, about the revolt, taking the view that the Government has to take tough decisions whatever short-term worries backbenchers may have.

There was no shift of any policy when the issue was raised during last night's debate on the timing of the Commons summer adjournment. Mr Barney Hayhoe, a Treasury Minister of State, robustly defended the proposal, arguing that the staged increases would add less to pay in 1985-86 than had been proposed by Labour in 1978.

He also said that most Labour, Liberal and Social Democrat MPs had voted for a full, not phased, increase in their own salaries in 1983.

Mr Roy Hattersley, Labour's deputy leader, said the proposals were unfair to the low and average-paid who were being asked to show restraint. He challenged the Prime Minister to give a full explanation herself.

The revolt reflected considerable unease among Conservative MPs from all wings of the party, not just about the specific issue of top salaries but also more generally about whether ministers are getting out of touch.

Sir Philip Goodhart, a senior backbencher, said last night that he hoped that, after the summer, min-

Continued on Page 10

Editorial comment, Page 8

Indesit slips closer to receivership

BY ALAN FRIEDMAN IN MILAN

INDESIT, Italy's second largest home appliance group, looks set to go into court-appointed receivership in the next week or two.

The troubled Turin-based company, hit by quadrupled losses of L106bn ($55m) last year, heavy debts and a liquidity crisis, said yesterday its only remaining hope was that a foreign company might take it over. But Bosch-Siemens, the Munich-based company which Indesit contacted recently in order to seek a rescue, yesterday declared that it had no intention of taking a stake in Indesit and had held no talks with the Italian company.

Sig Franco Passi, the Indesit chairman who was appointed last week when his predecessor was sacked along with the company's entire board, said last night that he thought it likely Indesit would be put in the hands of court-appointed commissioners by August 10, when the company is meant to hold a shareholders meeting.

"There is no other choice except for us to be declared bankrupt. I think the company will go into receivership and then will hopefully be nursed back to health," he said.

The prodecure under which Indesit is expected to go into receivership involves the "Prodi Law" of 1979, designed by then Industry Minister, Prof Romano Prodi who is now chairman of the IRI state holding group. The law, designed to save jobs, enables the Industr Ministry to guarantee a company' debts, freeze payments by the con pany to creditors and install Go ernment commissioners.

In practice, Indesit's supplier who are owed around L40bn of a to tal debt (including bank loans) L200bn are likely to go to court i Turin in the next few days an present their claims. The court wi then refer the matter of receiver ship to the Industry Ministry ir Rome. An official at the ministry said yesterday that the Govern ment view would favour receiver ship under the Prodi Law.

Indesit, which has a well-know name and market presence in Eu rope, has been hit by difficult mar ket conditions at home and abroad The company last year derived 7 per cent of its L310bn turnove from outside Italy.

But at present, Indesit is produ ing only 900,000 units (washing ma chines, cookers, refrigerators an dishwashers) a year, representin less than a third of its productiv capacity of 3m units a year. Of 7,5 employees, only 2,200 are actuall working at present, according t Sig Passi, who said the rest are c state subsidised lay-off schemes.

At a crisis meeting with top I

Continued on Page 1

Zanussi's new man cleans up, Page 11

Gandhi reaches accord with moderate Sikhs

BY K. K. SHARMA IN NEW DELHI

MR RAJIV GANDHI, the Indian Prime Minister, yesterday announced to cheering MPs that he has signed an agreement with the moderate leader of the Sikh community which could end the sectarian violence that led to the assassination last October of his mother, Mrs Indira Gandhi.

The agreement was signed with Mr Harchand Singh Longowal, leader of the Akali Dal party after two days of virtually non-stop negotiations.

It meets most of the political and religious demands made by the Sikhs including an inquiry into the killing of many of their people after the death of Mrs Gandhi, then Prime Minister.

Under the agreement a commission will determine which areas of the Punjab, the Sikhs' home state, are Hindi; these will be transferred to the neighbouring state of Haryana by next January. In return, the city of Chandigarh, which is the shared capital of both Punjab and Haryana, will become capital of Punjab only.

Punjab state will be given a major share of the waters of the Ravi and Beas Rivers and the Government will take measures to propagate the use of Punjabi, the Sikh language.

The issue of religious and political autonomy for the Punjab is to be referred to a commission, as is the status of Sikh temples. The outbreak of bitterness and bloodshed among the Sikh community was heightened by the army action last year in entering its holiest shrine the Golden Temple in Amritsar when hundreds were killed.

This action, to root out extremist Sikh leaders, caused tension between Hindus and Sikhs and later led to the revenge killing of Mrs Gandhi.

Mr Gandhi also agreed to withdraw the legislation which gives the authorities wide powers in the Punjab to search and arrest. He refused to accede, however, to the demand for an amnesty for those Sikh soldiers in the Indian Army who mutinied after the seizure of the Golden Temple, many of these solidiers are being tried in military courts, or are in jail.

The Government has agreed to pay compensation to the families of those killed in the violence since 1982 and for damaged property. It has also pledged to try to increase protection of minorities, including Sikhs, and not to discriminate against them in recruitment to the armed forces.

It is far from certain whether the extremist faction of the Akali Dal party will accept the agreement signed yesterday. The extremists are led by Mr Joginder Singh, father of the late Sant Jarnail Singh Bhindranwale, who was killed in the Golden Temple action.

The faction is to meet in Amritsar today to consider the agreement and is almost certain to oppose it.

Mr Longowal said he was fully satisfied with the terms

Peking trade deficit $3bn in half-year

BY ROBERT THOMSON IN PEKING

CHINA'S soaring imports, coupled with a decline in exports, led to a $3.16bn trade deficit for the first half of the year. Yesterday's figures suggest that the fall in foreign exchange reserves will continue.

This is confirmation of the leadership's fears that the economy is overheated and has prompted a move to cut imports of consumer goods in an attempt to improve foreign exchange control.

Huang Wenjun of the Ministry of Foreign Economic Relations and Trade said the cuts would not affect China's ability to honour trade contracts.

In the first six months, imports rose 70.4 per cent to $14.42bn compared with $8.46bn for the same period last year, while exports fell 1.3 per cent to $11.26bn from $11.41bn. Total trade was up 29.26 per cent.

Imports from Japan led the increase, rising 102 per cent in th first half to $5.23bn compared wit exports to Japan, up 11.1 per cent a $2.94bn.

The widening deficit has promp ed Chinese officials to encourag Japan to reduce its trade barrier and buy Chinese. The China Dail reported yesterday that "such larg deficits are bound to hamper trad between the two countries."

Earlier this year, Chinese leader urged caution in economic develop ment and expressed worries abou losing control of the economy. Th latest figures show tougher me sures will be needed if the econon is to be reined in.

Of particular concern has bee the decline in foreign exchange r serves, which fell from $16.3bn $11.3bn in the six months from O tober. The new trade figures su gest the trend will continue.

IBM wins go-ahead in Mexico

BY DAVID GARDNER IN MEXICO CITY

IBM has won its battle to set up a wholly owned subsidiary to make personal computers in Mexico after 18 months of controversy that divided both the government and the local computer industry. The U.S. computer groups plan came to be seen as a definitive test of Mexican attitudes towards foreign investment.

Mexico's foreign investment commission rejected IBM's original plan in January, but has now accepted modified proposals, including sharply raised technology commitments. IBM is to expand its existing wholly owned plant in Guadalajara, which makes the System 36 minicomputer, and its committed to producing 603,000 System 51-range personal computers in the first five years of production. Some 92 per cent of the units will be for export, earning Mexico $620m in foreign exchange.

The total investment, earlier rejected by Brazil, has been raised from $7m to $91m, and will give IBM its fourth personal computer manufacturing unit worldwide, interlocking with the existing facilities in the U.S., Australia and Scotland.

At the centre of the controversy was a decree drafted in 1982 but never enacted, regulating the electrtronics industry. The decree allowed for 100 per cent foreign ownership in mainframe and minicomputer production but required minority foreign capital in personal computer ventures, and set targets for local content and export.

Rival U.S. computer makers, including Apple and Hewlett Packard, tailored their Mexican operation to the decree on the understanding that it would become law, and lobbied against IBM's original plan, saying it would change the rules after the game had begun.

Hewlett Packard, for example, also has a wholly owned subsidiary making its HP 3000 minicomputer in Mexico, and strongly rejected the argument that IBM, which first came to Mexico in 1927 to make typewriters, was merely adding a personal computer production line to its existing wholly owned plant.

IBM has, nevertheless, had to modify its proposals considerably. The local content requirement for its personal computer will be 51 per cent on start-up next year, rising to 82 per cent after four years. IBM had originally sought a scale starting at 35 per cent and rising to 50 per cent. Its local market share will be restricted to 33 per cent of sales.

IBM is committed to producing its latest models – current plans are for the PC-XT and top-of-the-range PC-AT – within six months of their introduction in the U.S. and to hold the price differential between the two countries under 15 per cent.

CONTENTS

Union board members enrage Renault chairman

BY OUR PARIS STAFF

M GEORGE BESSE, the chairman of Renault, the troubled French car group, has become embroiled in a bitter feud with the pro-Communist CGT union members who sit on the state-owned company's board. Trying to conduct his sweeping restructuring programme as discreetly as possible, he has been incensed by repeated leaks of company policies by the three CGT board members.

The last straw came when they told the Press that Renault planned to advance a $150m subordinated loan to American Motors, in which it has a 45 per cent stake. This week, they enraged M Besse by suggesting that Renault was planning to mortgage some of its plants.

The chairman, known for his quick temper, has issued a formal warning to the CGT board members.

By law state companies must have union representatives on the board. At Renault's the representatives of the CFDT pro-Socialist union, the reformist FO union and the CGC union grouping middle management. Although these are privy to all board decisions and proposals, they are also supposed to be bound by the same restrictions and obligations as other board members.

M Besse feels that the CGT representatives have overstepped their privileges by improperly disclosing confidential information. He is understood to have asked aides to see if union board members can be removed for breach of board regulations.

But the dispute is more than a feud between the new Renault chairman and the CGT representatives. It raises the complicated issue of the limits and role of union participation on the board of nationalised companies.

For their part, the CGT and the Communists are now clearly attempting to use the difficulties of Renault to try to mobilise a demoralised rank and file in a more general protest against the Socialist Government's industrial restructuring policies. Renault has long been the main symbol of nationalised industry in France.

So far, however, the CGT has failed to rally significant militant support against the company's restructuring programme which involves some 21,000 job losses between now and the end of next year.

Meanwhile, a wave of union protests swept the northern steel belt yesterday as workers opposed the closure of steel plant near Valenciennes and further job cuts. The offices of a steel company were ransacked by angry steel workers.

Paul Betts talks to the French Finance and Economic Minister

Beregovoy pats himself on the back

The Government of President Francois Mitterrand is tipped by many to lose next year's general election, but the French Socialists believe they are 'on the right track' after a recent encouraging performance by the economy.

The heat is on: Pierre Beregovoy is confident that the 1986 election result is not a foregone conclusion

M PIERRE BEREGOVOY goes home every night with a headache. But it is not because of problems with the French economy or the franc. The trouble is that the Finance and *Economy Minister's imposing* office in the Louvre was not built for summer heatwaves

Despite his daily headache, the largely self-taught Socialist son of a Ukranian worker cannot help looking satisfied with the recent performance of the French economy. While the Socialists are already widely tipped as losers in the 1986 general election, the economy has recently produced a string of encouraging figures.

The balance of payments current account deficit was sharply lowered in the first half of the year to FFr 6.9bn (£565m) from Fr 10.1bn during the same period last year. June produced a trade surplus and, if the dollar continues to fall, M Beregovoy expects the trade deficit this year to be about half of last year's.

"The trade deficit is expected to be in the range of FFr 5bn-Fr 15bn. If the dollar is at around FFr 8.50, the deficit should be about FFr 10bn and we should have a serious current account surplus this year," says M Beregovoy.

The first half of this year confirmed the general recovery, although M Beregovoy acknowledges the task was made more difficult by the strong dollar. The second half should reflect the benefits of the recent income and corporate tax cuts, as well as the lower dollar (it was trading at FFr 8.70 in Paris yesterday) if its present decline is confirmed.

M Beregovoy is also pleased with the way the European Monetary System realignment was carried out at the weekend. "I think the lira operation went very well," he says, adding that the franc also came out of it well.

He admits that the Patronat, the French employers federation, and a number of other parties would have liked a small devaluation of the franc. "But I refused any devaluation of the franc and I am absolutely opposed to it."

M Beregovoy rejects the argument that a franc devaluation is inevitable because of the inflation differential between France and West Germany, the country's main trading partner.

"The trade deficit with West Germany is essentially a structural problem," he says. France for years has had a trade deficit with Bonn, with French imports of German capital goods not covered by exports of French consumer goods to West Germany.

"If you compare the franc with the currencies of other major French trading partners, the situation of our currency is not so bad."

"My top priority remains the fight against inflation and I am therefore very hostile towards a devaluation. The best way for us to improve competitiveness is to reduce inflation and it is also the best way to maintain purchasing power in France." Inflation in France this year is expected to run at around 5-5½ per cent.

Since taking over the Finance and Economy Ministry a year ago, M Beregovoy has become the guardian of economic rigour in France. He and M Laurent Fabius, the Prime Minister, have put together one of the most rigorous public spending budgets in post war French history, involving a real cut in public spending next year, reductions in state financial support to nationalised industries, and several thousand job cuts in the public sector.

M Beregovoy does not like his budget described as "draconian" but simply as rigorous, and says he would have liked to be even tougher on the spending cuts.

He also sees himself as a champion of competition and economic liberalism, and so has pressed for an acceleration in the liberalisation of industrial prices in France. After the lifting of controls on petrol and car prices, about 74 per cent of industrial prices have now been freed.

"I want to free them 100 per cent by March 1986," he says. But he is not in such a hurry to free prices in the service sector.

M Beregovoy, to encourage competition in the financial markets, has launched a series of financial deregulation measures and introduced new financial instruments such as certificats of deposit. He is now discussing with the bourse the introduction next autumn of commercial paper.

But if M Beregovoy is gratified by the present performance of the economy and the franc, he is still worried.

"We have two black points: low growth and high unemployment." Insee, the national statistics institute, estimates growth of gross domestic product will be as low as 0.8 per cent this year. The most optimistic growth forecasts for 1985 range between 1 per cent —1.5 per cent.

While unemployment has stabilised at an annual rate of 10.3 per cent, the figures are distorted by the Government's recent community work and youth employment measures.

M Beregovoy has campaigned relentlessly for lower interest rates to encourage some additional economic activity and a recovery in industrial investment. With the Banque de France cutting its money market intervention rate several times in past months, interest rates in general have slowly declined.

Another big worry is how to maintain the tentative investment recovery in France. Industrial investment recovered last year, rising 9.2 per cent in volume after three consecutive years of decline, but all other sectors of economic activity saw investments fall in 1984.

Industrial investments are now expected to increase by about 8 per cent this year while there are some signs of a pick-up in other sectors. "The main question is whether the investment recovery will be hit by the political timetable and the elections," says M Beregovoy.

It is, essentially, a psychological problem. M Beregovoy hopes to maintain the investment momentum by further cuts in interest rates and by fiscal incentives. In the Government's tough public spending budget for 1986, there will also be a 3 per cent cut in personal income tax and a fiscal measur M Beregovoy hopes will stimulate investment.

This involves tax deductions *for businesses which reinvest* part of their profits in productive investments.

But M Beregovoy insists that the Government is not providing any budget hand-outs as the imminent elections approach. Public spending cuts will hit most areas of Government except a few priority sectors such as law and order, education and training, research and defence.

Apart fro mthese , the Government is accelerating the restructuring programmes still outstanding in a number of key industries. The unions are up in arms over the decision to close another steel plant this week and make 2,000 additional job cuts in the steel sector.

Additional job cuts involving about 900 people have also been *announced recently in* the troubled shipbuilding industry. But even with Renault, the loss-making state car group involved in a huge restructuring programme, the government does not seem worried about union backlash.

Indeed, the Government has succeeded in both holding down wage demands and getting a series of very sizeable restructurings and job cuts past a demoralised and worried working rank and file.

M Beregovoy believes the Government will be judged on its general porformance i next year's elections. "I think we are on the right track."

He acknowledges that virtually everyone at this stage regards the elections as foregone conclusion, but claims that the Socialist Government's economic policies and the recovery are giving the right-wing leaders a political headache.

W. German company 'not paying protection'

By Rupert Cornwell in Bonn

MANNESMANN, the West German steel and engineering concern, yesterday denied reports from Colombia that it was paying "protection money" to guerrilla groups operating in the north east of the country, where it is working on a DM 630m (£157m) oil pipeline project.

A spokesman in Duesseldorf also made clear, in contradiction to the reports, that it had not been notified by the Bogota authorities that two executives of Mannessman Anlagenbau, the company's plant engineering subsidiary constructing the pipeline, were to be expelled from Colombia.

The expulsions have been sought apparently by the Colombian national secu'ity council. According to Bogota radio, Mannessman had been paying DM 600,000 (£150,000) protection money every month to the pro-Cuban National Liberation Army (NLA) underground organisation, which operates close to the Venezuelan border, where the project is sited.

In Duesseldorf, the spokesman for Mannessmann admitted only that the company had given "humanitarian help" to the local population, which had been distributed by PATSO, a group run by priests.

The 300 km pipeline will carry oil from a recently-discovered field in the Cano Limon region close to Venezuela, which in turn will contribute to the expected emergence of Columbia as a net exporter of oil.

Mannesmann won the contract last summer, and work began in late 1984, carried out by a consortium including the British-based International management Engineering Group. Last October, a Mannesmann engineer was kidnapped by the NLA, to be released three months later.

The reports from Colombia claim that other foreign companies have paid money to the NLA, including Occidental Petroleum of the U.S.

● Planned tax cuts of DM 10bn (£2.5bn) should help the West German economy expand by 3 per cent next year compared with expectations of 2.5 per cent growth this year, according to the HWWA economic research institute in Hamburg, Reuter reports.

Portugal charts new course for fisheries

By Diana Smith in Lisbon

A BIG operation is under way to modernise Portugal's antiquated fishing fleet, adapt its fishermen to less rudimentary and more productive methods, clean up parasitic and corrupt fish marketing circuits and generally force Europe's least-efficient fishing sector into the 20th century.

Tapping the funds and technical assistance that membership of the European Community will bring, the Portuguese authorities plan to use the 10-year transition period granted by the EEC to protect national waters—which cover almost a third of the North Atlantic when the Azores and Madeira zones are included—to build up a fleet and infrastructures that have suffered for generations from lack of investment, management capacity and rational use of resources.

Portugal strove during the negotiations for EEC entry to protect its waters against high-powered, efficient Spanish fleets. This was achieved through a strict licensing system. Now it is setting out to protect waters against crude traditional domestic fishing that has depleted spawning grounds and poorly served a fish-eating nation.

Sr Almeida Serra, the Maritime Minister, and Sr Carlos Pimenta, Secretary of State for Fishing, have drawn up voluminous reports on the hard-pressed fishing sector and have begun to take steps that will funnel substantial EEC aid and loans into the sector.

They insist that only viable projects will qualify for investment funds — a departure from past attitudes.

By next year, the first of Portugal's EEC accession, Esc 1.5bn (£6m) will be available for modernisation and infrastructure projects. These include construction of better vessels, port improvements (Portugal is badly lacking in cold storage facilities for fish), data processing (necessary to supervise compliance with catch quotas), training schools and scholarships abroad for researchers. This is three times the sum available this year.

Marketing structures where wealthy middlemen have paid rock-bottom prices to fishermen, taken large profits and passed on high prices to the consumer will soon come under attack. The Maritime Ministry will solicit the help of the housewife in this battle, helping people understand that there is no real economic reason for the luxury prices they are paying for the most modest species of fish.

Fishing will be able to tap some of the Ecu 400m (£220m) annual European Investment Bank loans and the Ecu 635m to Ecu 685m aid to which Portugal will have access. The state will have to match these funds at an average ratio of half and half—meaning that, next year, Portugal will have some Ecu 2bn to apply to its most backward sectors in which agriculture and fishing head the list.

To help control national waters, about £40m will be invested over the next seven years to create a patrol fleet with the co-operation of the navy, to supervise the 12-mile and 200-mile zones. While the Portuguese negotiated a fishing agreement with the EEC and Spain that ensures tightly-regulated catches, they are not prepared to leave anything to chance.

Poland's industrial output rises by 2%

BY CHRISTOPHER BOBINSKI IN WARSAW

INDUSTRIAL OUTPUT grew by 2 per cent in Poland in the first half of the year, exactly half the target for the entire year, figures published by the Government's statistical office show.

They also reveal that foreign trade is lagging behind expectations and strong pressure on wages continues, producing a 5 per cent rise, much higher than the planned increase.

Parliament yesterday approved a 3.5 per cent annual national income growth target for the 1986 to 1990 plan. An attempt will be made to hold down the growth in consumption for the first three years of the period and then, in anticipation of growing popular impatience, increase the rate somewhat during the remaining two years.

At the end of the decade the inflation rate, which was around 14 per cent for the first six months of this year, is expected to be between 6 and 8 per cent. Despite government planners' preference for capital intensive, centrally financed investment, Parliament has stressed that finance should also be provided for individual companies to modernise.

The planners are aiming to devote more resources to capital investment up until 1990, but this is likely to clash with continuing pressure on wages as demonstrated in the first six months.

Despite the 5 per cent growth in real incomes, the actual volume of sales in the shops grew by 2 per cent. Much of the extra cash being paid out as wages went to fuel the flourishing black market or flowed into swelling saving accounts. Productivity growth is still lagging behind real wage increases.

In Poland's hard currency trade, exports grew by under 1 per cent to reach $2.8bn during the six months; imports rose by 9.5 per cent to reach $2.2bn. The resulting $590m surplus compares with $780m in the first six months of last year.

Brussels seeks to boost university-industry links

BY IVO DAWNAY IN BRUSSELS

AN ATTEMPT to develop closer links between universities and industry was launched by the European Commission yesterday.

The scheme, dubbed the Community action programme in Education and Training for Technology (Comett), is aimed at better accommodating the academic world to the needs of commercial technology.

Outlining the programme yesterday, Mr Peter Sutherland, *the Social Affairs Commissioner,* compared European tertiary education unfavourably with that of the U.S. in its ability to supply useful graduates to industry.

"The linkage between third level education and industry needs to be greatly increased to improve the efficiency of European industry," he said.

But the Comett programme is also aimed at developing cultural links between EEC member states. Mr Sutherland pointed out that less than 1 per cent of Community students had any experience of study abroad.

The Comett programme, presuming it is approved by the Council of Ministers, will be carried out in two stages. A launch period of four years, starting in 1986, and costing about Ecu 80m (£44m) to establish the project, followed by a consolidation phase, as yet uncosted until 1992.

The outline programme includes:

● Setting up University-Industry Training Partnerships (UITPs) to liaise with existing national schemes to develop international co-operative projects. The target is to create 150 UITPs by 1989, overseen by a full-time liaison officer.

● Creation of grants for exchanges for students and industrial and academic personnel.

● Joint training projects run by universities and industry concentrating on areas and topics where skill shortages are inhibiting development and economies of scale. Comett support will account for 35 per cent of costs up to a total of Ecu 500,000.

● Efforts to develop joint projects for the teaching of trainers employed by industry, with financing of up to 50 per cent of the cost to a ceiling of Ecu 400,000. A European Technological Open University is also under discussion.

● The entire project to be backed by intensive monitoring, the establishment of a shared *data base, and other techniques.*

European TV groups get together

By Raymond Snoddy

SIX EUROPEAN television organisations, including Channel 4 of Britain, have set up an association to co-produce programmes for Europe and the world market.

They intend to spend a total of Ecu 70m (£39m) to produce 100 hours of drama over the next three years. The plan is seen as a practical commercial alternative to EEC Commission suggestions that a European Film Fund be set up to stimulate European production and employment and turn the tide of "U.S. media imperialism."

The association, the first of its kind, is likely to receive the blessing of the British Government which has been hostile to the idea of contributing to such a film fund.

The aim is to create high quality programmes at a fraction of what it would cost inrividual television organisations.

The six members of the association, apart from Channel 4 are: Antenne 2 (France), ORF (Austria) RAI Italy) SRG/SSR (Switzerland) and ZDF (West Germany).

A programme committee will meet in September in Paris to decide on projects. *Recommendations will go to* a management board comprising the chairman, directors-general or managing directors of all six organisations at a meeting in Vienna the following month.

When an idea has been accepted each member organisation will be free to decide whether to invest. Each project will be made by one of the six partners, often in more than one language.

Mr Jeremy Issacs, chief executive of Channel 4, said yesterday: "We look forward to taking part in this bold experiment with our European partners. The talent is there. The test will be to work together to put work of quality on all our screens."

The association has its origins in a successful collaboration between Channel 4 and Antenne 2 on the making of a film drama "Les Louvres" using bilingual actors. The cost to each organisation was 60 per cent of what it would have cost to make alone.

The initiative attracted the attention of the French Government, and Mr Justin Dukes, the Channel 4 managing director, was summoned to the Elysee *Palace for discussions.*

Most Opec nations likely to lower prices

BY RICHARD JOHNS IN GENEVA

A MAJORITY of the Organisation of Petroleum Exporting Countries (Opec) looked almost certain last night to agree a compromise under which the official selling rates for heavy crudes will be lowered by 50 cents a barrel and those in the medium range by 20 cents.

This would mean a price for Arabian heavy 27 degrees API crudes of $26 cut from $26.50, and that of 31 degrees API Arabian medium of $27.20 down from $27.40.

Algeria still rejects out of hand any revision of price differentials. Its chief delegate, Mr Belkacem Nabi, has clearly been instructed to concede nothing on this score, but his belligerent performance here, following an exasperating one in Vienna earlier this month, has angered mainstream members, not the least Saudi Arabia.

Libya and Iran will probably dissociate themselves from the readjustment of differentials which, anyway, is seen as only an interim measure before another ministerial meeting in mid-September.

Meanwhile, Saudi Arabia's oil marketing arm, Norbec, is understood to have chartered three Ultra Large Crude Carriers and two Very Large Crude Carriers for storage purposes. The aim would be to maintain oil output at a sufficient level to provide enough associated gas for the Kingdom's industries.

The 50-cent cut in prospect is unlikely to boost Saudi Arabia's flagging production in the near future unless some special deal is struck with the four U.S. major oil companies which are partners in the operations of the Arabian American Oil Company. Saudi Arabia is believed to have stocks of about 35m barrels in floating storage ready for marketing.

More reassuring for Opec as a whole and the Gulf producers in particular is reliable information that nine other large crude carriers have been chartered — five to pick up Iranian oil from the Sirri terminal presently out of range of Iraqi missile attacks, and four for voyages from the Gulf to Japan. None though has been secured by the four U.S. partners in Aramco — Exxon, Socal, Texaco and Mobil.

The charters suggest there could be a temporary boost in demand for Opec crude following a period during which the market has stood back partly for seasonal reasons but also in anticipation of a further price slide.

Dr Tam David-West, Nigeria's Oil Minister, indicated yesterday evening that the view in prospect would be acceptable to Lagos. In practice Nigeria, with the acquiescence of most other Opec members, has been allowed a dispensation, with an official selling rate of $28.65 for its top light varieties which is lower than rates for comparable crudes of other members. Barter deals apart, it appears to have been observing official selling rates in its transactions and output has fallen below quota.

Venezuela seems to have decided that it can accept only a limited fall in the price of Arabian 27 degree API gravity heavy crude and for Arabian *medium. It can do so because* it has a big range of crudes of less than 20 degree gravity. Those fall outside Opec pricing rules but can yield a fairly high proportion of light and medium distillates if processed in refineries with modern "cracking" capacity.

Mr Nabi's truculence apart, yesterday morning's discussions on differentials were generally regarded as a constructive exercise. There seemed to be a greater realisation that differentials must be reviewed and, if necessary, revised on a regular and frequent basis.

Flight of currency from Sweden reversed

BY KEVIN DONE, NORDIC CORRESPONDENT IN STOCKHOLM

INTEREST RATES in the Swedish money markets are continuing to fall in expectation of the further cut in official interest rates before the September 15 general election.

In mid-May the Riksbank, the central bank, was forced to impose a monetary squeeze in the face of a serious crisis of confidence in the Swedish krona.

Interest rates were pushed close to record levels on May 13 with a 2 percentage point increase in the discount rate to 11 per cent, and a 2¼ point *increase to 16 per cent* in the penalty rate, which closely influences money market rates.

The measures have succeeded in reversing the heavy outflow of currency from Sweden and the Riksbank was able to lower the official rate carefully by one point two weeks ago.

The central bank said yesterday that a further SKr 730m (£220m) had flowed into Sweden in the last week, an inflow that has occurred in spite of the cut in rates two weeks ago.

This week's auction of Treasury bills showed a further drop *in market rates,* and interest rates on securities with a maturity of more than one year have now fallen back to below the level existing before the May 13 panic measures.

The markets have been following closely the development of currency flows in and out of Sweden and have been encouraged by the positive inflows of the past 10 weeks.

"There is a quite different psychological situation now," said one money market dealer yesterday, "and the markets are *looking forward to the next* interest rate cut in August or September."

Sweden still has some of the highest real interest rates in the industrial world, with a gap of some 7-8 points between Swedish and Eurodollar rates.

Denmark has DKr 1.25bn trade surplus

By Our Copenhagen Correspondent

DENMARK'S first foreign trade surplus of the year has failed to allay fears about the state of the country's balance of payments. The provisional trade surplus was DKr 1.26bn (£93m) in June, compared with a revised DKr 1.55bn shortfall in May, and a DKr 39m deficit in June last year.

The figures, released by the National Statistics Bureau yesterday, gave a provisional Danish trade deficit of DKr 6.07bn for the first half of 1985

The June surplus was attributed to an improved DKr 17.5bn export performance, *largely sales of ships.*

Papandreou and Zhivkov condemn space weapons

BY ANDRIANA TERODIACONOU IN ATHENS

MR ANDREAS Papandreou, Greece's Prime Minister, joined visiting President Todor Zhivkov of Bulgaria yesterday in condemning the militarisation of space, and in calling for continued efforts to create a nuclear-free zone in the Balkans.

"Small non-nuclear states have not only a right but a duty to participate in the struggle to promote detente and to prevent the militarisation of space," Mr Papandreou said, echoing a similar statement by Mr Zhivkov, at a joint press conference. They were speaking at the end of a three-day visit to Athens by the Bulgarian President for political and trade talks.

The Greek Socialist Government launched an initiative for the setting up of a nuclear-free Balkan zone after first winning power in 1981, picking up an original idea of Mr Zhivkov.

An inaugural meeting with the participation of Greece, Bulgaria, Romania, Yugoslavia and Turkey took place in February 1984, but a second meeting – scheduled to take place in Bucharest – is being held up by lack of agreement on the agenda.

The two sides said they also discussed the possible setting up of a Bulgaria-Greece-Syria boat-train link to serve trade between Western Europe and the Middle East.

Maltese leader seeks better ties with Italy

By Godfrey Grima in Valletta

DR CARMELO Mifsud Bonnici, Malta's new Prime Minister, has called for a swift and early restoration of ties with Italy.

He said, while inaugurating a government skills centre with the help of the Italian Government, that both countries must display increased confidence in each other to iron out their differences.

Dr Mifsud Bonnici's call came while two Maltese Government ministers were in Rome for talks with Italian Government leaders.

Since taking over power in December from Mr Dom Mintoff, Dr Mifsud Bonnici has launched *various diplomatic initiatives* to mend the island's relationship with Italy.

Mine owner arrested over dam collapse

By Alan Friedman in Milan

ITALIAN authorities yesterday arrested an owner of the mine *whose dam in the village of* Stava in the Dolomites collapsed last Friday, killing more than 200 tourists and villagers.

Sig Giulio Rota is one of two brothers who own Prealpi Mineraria, the mine which used the dam to hold fluoride waste. Sig Rota, 58, was charged by local prosecutors with involuntary manslaughter.

Meanwhile, two local Christian Democrat councillors yesterday resigned from office after receiving judical communications that they are under investigation in connection with the tragedy.

Among the persons to whom judicial notices have already been issued are the mayor of nearby Tesero, Sig Adriano Jellici, a Christian Democrat.

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Israel abandons plan to cut public sector pay by 3%

BY DAVID LENNON IN TEL AVIV

THE ISRAELI CABINET yesterday abandoned its attempt to cut public sector wages by 3 per cent, which had been one of the key elements in the austerity programme announced at the beginning of the month.

At the same time, the Cabinet ruled that dismissal notices would be sent today to 3 per cent of the workers in the public sector. It would endeavour to cut a further 3 per cent through efficiency dismissals.

Mr Yitzhak Modai, the Finance Minister, expressed considerable reservations about the Cabinet decision on pay and redundancies. He said this would make it more difficult to achieve the goals set out in the economic programme.

The Government has apparently agreed to carry out the dismissals in co-operation with the unions, and not by emergency decree as originally proposed.

The Histadrut trade union federation, which fought tenaciously for the same pay rises for public and private sector workers, cautiously welcomed the Government's decision last night.

The public sector workers will now receive the same 14 per cent pay rise next month as employees in the private sector.

● The Israeli economy is in recession, according to the Bank of Israel, and this is expected to deepen in the coming months as a result of the Government's new austerity programme.

A survey of company activity in the second quarter of the year revealed that following the easing of last autumn's recession in the early months of this year, there has been a renewed slowdown. Output and sales in all branches of industry have declined, the survey found. Orders for the domestic economy have fallen and in some sectors there are signs of increasing financial difficulties.

The central bank forecast a continuation or deepening of the recession and a growth in unemployment in the coming months.

Peres says Jordan ready to talk without conditions

BY OUR TEL AVIV CORRESPONDENT

JORDAN is ready to enter into peace negotiations with Israel without prior conditions, Mr Shimon Peres, the Prime Minister, told the Knesset yesterday. "Jordan feels that 1985 is its year of opportunity for making progress on the issue of negotiations," he said.

The Premier said that Jordan felt a decision was needed quickly about the issue of the joint Jordanian-Palestinian delegation. "If these talks do get under way, they must concentrate not only on mutual recognition, but also on ending terrorism," he said.

Responding to questions about his attitude to the composition of the Palestinian delegation, Mr Peres said that Israel will not examine the history of the delegates, but their current political views.

The Premier said on Tuesday that two of the seven Palestinians who were suggested as delegates would be acceptable to Israel. Both live in the Israeli-occupied territories. Mr Peres reiterated that Israel would negotiate with representatives of the Palestinians, but not with what he called the murderers from the PLO.

Relations with Egypt, which were severely strained by the Israeli invasion of Lebanon, are steadily improving, the Premier told a Knesset committee on Tuesday.

He said that President Hosni Mubarak had informed him that Cairo was lifting all restrictions on trade and tourism with Israel. Furthermore, Egypt intended to open an academic research centre in Israel, similar to the one Israel maintains in Cairo.

The Premier said that all problems had not been resolved, but he did see progress towards meeting the Israeli demand for implementing the normalisation agreements contained in the 1978 peace treaty.

Berri accuses U.S. of treachery over prisoners

BY NORA BOUSTANY IN BEIRUT

ISRAEL released 100 Lebanese prisoners yesterday amid tight security as Mr Nabih Berri, Lebanon's Shi'ite Moslem leader, charged the U.S. with treachery because a pledge to free hundreds of other detainees in exchange for American hostages had not been honoured.

Israeli-backed South Lebanon Army militiamen carefully searched international committee of the Red Cross (ICRC) cars at the entrance to a border security strip assigned to transfer the Lebanese prisoners from Ras al Bayada.

A rash of suicide car bombings, the last of which was carried out with a stolen ICRC vehicle in an Israeli-defined security zone in south Lebanon ten days ago, had raised fears of such attacks.

Mr Berri, Justice and State Minister for South Lebanon, negotiated the release of 735 Lebanese prisoners in return for freed passengers of the hijacked TWA plane last month.

Mr Berri called on the international community to "open its eyes to the promises made by the U.S. to Syria for the release of all Atlit prisoners." Israel has only released 400 in two instalments out of the total 735.

'Dissident' arrested in Nkomo's home

ZIMBABWE police have seized several guns used by Mr Joshua Nkomo's bodyguards to investigate "certain crimes" that the authorities believe may have been committed by members of his opposition Zapu party, *Tony Hawkins reports from Harare.*

This announcement, made by the acting Police Commissioner yesterday was swiftly followed by a Parliamentary statement from the Minister responsible for Security, Mr Emmerson Munangagwa, that police had subsequently arrested a "dissident" in Mr Nkomo's home in Bulawayo.

Mr Munangagwa told MPs that Mr Nkomo had been present when the arrest was made but had had nothing to say. The Zimbabwe Government claims that the so-called dissidents operating in the south west of the country against the security forces, are part of Mr Nkomo's Opposition and that he and his colleagues are behind the insurgency campaign.

NZ investigate couple

New Zealand police were still investigating the identities of two people charged yesterday with arson and murder following the bombing of the Greenpeace flagship Rainbow Warrior, reports Dan Hayward in Wellington.

The couple were refused bail and remanded in custody for three weeks. They were charged under the names on their Swiss passports as Ms Sophie Turenge, aged 36, and Mr Alain Turenge, aged 34. However, New Zealand police believe the passports are false.

Interpol and the Swiss police have reportedly found no trace of the couple under these names.

NZ dollar advances

THE New Zealand dollar gained strongly against both the U.S. and Australian currencies in a burst of hectic trading yesterday afternoon.

Last Friday the NZ dollar touched \$0.50 — the highest point since its devaluation last July. It held the gain on Monday and surged to \$0.52. This is 10 cents above the value of the NZ dollar at its low point of 42 cents before it was floated in March.

The gain was almost 3 per cent since the beginning of the week.

The NZ dollar rose 4 per cent against the Australian dollar to reach 73.5 Australian cents.

Pakistan reserves fall

Pakistan's foreign exchange reserves have fallen to an all-time low of \$600m (£478m) sufficient to finance only five weeks of imports, Mohammed Aftab reports. But Pakistan has no plans to seek any rescheduling of its \$12bn foreign debt according to Dr Mahbubul Haq, finance minister.

To grapple with balance of payments problems and to build up foreign reserves to a level of \$1bn the Government is to pursue an export drive, manage imports, particularly cash flows on official account, and make a quicker utilisation of foreign assistance," Mr Haq said.

Detentions in South Africa rise to 665

BY ANTHONY ROBINSON IN JOHANNESBURG

THE NUMBER of detentions under South Africa's state of emergency regulations rose to 665 yesterday as the security forces announced a further 224 arrests.

The operation has the hallmarks of a carefully prepared plan to detain those who have emerged in recent months as the grass roots organisers of community action, school boycotts and demonstrations.

The police reported a decline in the number of incidents involving death or injury but said there was stone-throwing on the East and West Rand and in townships around Johannesburg.

In the Eastern Cape, which accounted for 137 of the latest 224 arrests, police reported seizing "a large number" of dangerous weapons including knives, pangas and sharpened rods at the site of a United Democratic Front (UDF) meeting.

Black community leaders from Soweto, including the mayor Mr Edward Kunene, whose house was destroyed in rioting in the week prior to the declaration of a state of emergency, discussed the security situation in South Africa's largest black city with Mr Chris Heunis, the Minister of Constitutional Development and Planning.

The meeting, which took place in Pretoria on Tuesday, will be followed by another session on August 13 and reflects the urgency of Government intention to restore the authority of black local councillors and police in the townships.

Thus far the emergency regulations have not led to the arrest of many trade union officials and the black National Union of Miners (NUM) reports that its planned special congress will take place as scheduled at Welkom on August 3.

The congress has been called in the wake of the union strike ballot which indicated a large majority of members who voted were in favour of strike action. The congress will discuss the tactics of strike action.

Mining areas on the East and West Rand are included in the 36 magisterial districts covered by the emergency regulations but not those in the Orange Free State.

Although the emergency has not directly affected the union's activities, an official said it has undoubtedly had had a psychological effect.

The NUM is demanding a 22 per cent across the board pay increase and improved fringe benefits while the chamber of mines has re-used to raise its final offer ranging from 14.1 to 19.6 per cent and has disputed the validity of the strike ballot.

Samuel Senoren assesses the guerrilla campaign of insurgents in the Philippines

Rebels keep up the pressure on Marcos

THE PHILIPPINE flag has fluttered at half mast for about two years above the military headquarters in Davao, the third largest city, some 600 miles south of Manila on Mindanao island.

The half mast mourns the death of soldiers.

The escalating battle against insurgency by the 20-year-old Government of President Ferdinand Marcos reflects the Philippines' faltering economy and desperate efforts by the Marcos regime to get it back into shape.

The city of Davao has been thrust into the centre of the insurgency campaign because the New People's Army (NPA), the military arm of the outlawed Communist Party of the Philippines (CPP), has selected it as a pilot area for a sustained propaganda and urban guerrilla war.

The NPA represents a wide cross-section of Philippine society, including professionals, clergymen, farmers and students. Only a few are believed to be hardcore Marxists. The majority became guerrillas through force of circumstances, looking to the NPA for swift justice and retribution, or as an alternative that would eliminate the wide economic disparities in the Philippines.

Davao, with its 800,000 residents, is readily accessible from all points and yet lies close enough to the mountain regions of Mindanao to make it an ideal testing ground for the NPA

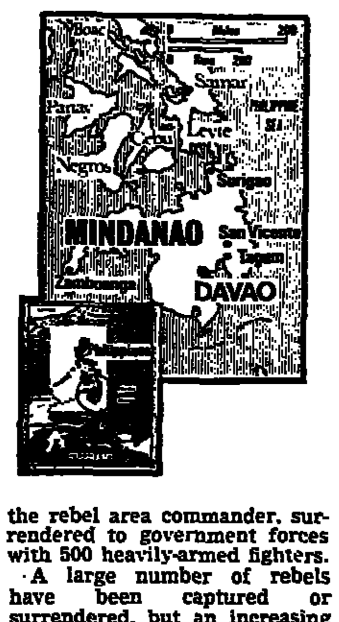
"We have been converted into a 'laboratory' by the communist guerrillas." laments Gen Jaime Echeverria, the region's military commander.

The NPA has gained an undisputed foothold in the city where its liquidation teams, called "sparrow" units, have operated freely since 1983.

The sparrows work in two- to five-man teams and execute their targets, usually rogue soldiers and abusive civilian officials, in broad daylight and in full public view.

Gen Echeverria, however, claims the sparrows have been put to flight since reforms of the military establishment last year

During the first half of 1985, he says, people began to co-operate with the armed forces. The turning point came in February when Mr Nur Khan,



the rebel area commander, surrendered to government forces with 500 heavily-armed fighters.

A large number of rebels have been captured or surrendered, but an increasing number of recruits are joining the NPA.

The NPA has grown from a ragtag group of a few hundred in 1972, when Mr Marcos imposed martial rule and jailed hundreds of suspected Communists and Government critics, into a potent force of between 10,000 and 12,000 regulars, 65 per cent of whom are armed. Its arsenal consists mostly of handguns, rifles and machine guns

The effectiveness of the 250,0000-member military, according to Mr Richard Armitage, U.S. Assistant Defence Secretary, has declined during the past 10 years, partly because of a tight defence budget.

The Philippines now spends only about 1.1 per cent of GNP on defence, the lowest ratio in Southeast Asia.

Mr Armitage told a U.S. Congress defence committee in March that the Philippine armed forces did not have 10 years to regain their effectiveness because the succss or failure of the insurgency would be seen in the next three years.

About 4 per cent of the country's 41,615 villages are now under NPA control or influence, according to Gen Fidel Ramos, chief of the armed forces. Another military report puts this estimate at 14 per cent. The NPA actively operates in 62 of the country's 73 provinces.

Gen Ramos says a village is considered to be under NPA influence if the CPP has established a political group there or if a local militia has been formed and 50 per cent of the population can be mobilised.

A much simpler indicator of the extent of NPA influence in a village would be the number of households with dogs. Dogs are taboo to rebels because they betray the presence of strangers and hamper their movement, especially at night.

Last year, more than 1,000 soldiers were killed in encounters with guerrillas: 1,000 civilians also died, mostly victims of crossfire. The armed forces claim to have killed more than 1,000 guerrillas last year.

The NPA/CPA had programmed 1985 as the year for a take-off from strategic defensive to strategic stalemate, the second stage of guerrilla wars. Military officials, however, say there has been no evidence to suggest such a take-off. They are hopeful that the third stage, the strategic offensive, will eventuate.

AMERICAN NEWS

Boeing and GE in pledge on overpricing

BOEING, the major U.S. aerospace group, and General Electric, the U.S. industrial conglomerate, have offered to make refunds to the Pentagon for any spare-parts shipments the Government considers overpriced, APDJ reports from Washington.

The Defence Department said on Tuesday that it has received letters containing the offers from both companies. Mr Caspar Weinberger, Defence Secretary, said he had directed Pentagon officials to establish a "standard industry-wide refund policy" based on the two letters. A Pentagon official said last night that he was not certain when such a standard would be ready or whether it would be voluntary or mandatory.

The companies' actions come in the wake of disclosures over the past year of excessive charges for spare parts by a number of major contractors. Last year Boeing, the nation's fifth largest defence contractor, cut the price it had charged the air force for a pair of pliers after a Government engineer disclosed the cost to a Senate panel. The Pentagon said it did not know of any such overcharging by GE, the U.S.'s sixth largest defence contractor.

In the case of the pliers, Boeing said on Tuesday that the company had cut the price for two sets of pliers delivered to the service to about $80 (£57) each from $748. It said the Air Force had since returned the pliers to Boeing.

U.S. to investigate recordings of hijack

THE U.S. Justice Department has issued summonses to three major television networks for all their coverage of last month's TWA hijacking in Beirut in an effort to identify the hijackers, Reuter reports from New York.

The ABC, CBS and NBC networks confirmed receiving the subpoenas, which they said were aimed at gathering material for a federal grand jury in Washington to indict the hijackers. The subpoenas cover all video tapes, audio tapes and photographs, whether broadcast or not.

THATCHER TO DELIVER KEYNOTE SPEECH

World conservatives hold summit

BY STEWART FLEMING IN WASHINGTON

THE second Party Leaders' Conference of the International Democrat Union, an international organisation of conservative political parties, will open in Washington tonight with a fund raising dinner at which British Prime Minister Mrs Margaret Thatcher will deliver a keynote address.

According to Mr Harvey Thomas, the UK Conservative Party's Press spokesman who is playing the same role for the IDU here, the two-day meeting represents a coming of age of the union, whose first party leaders' conference was hosted by Mrs Thatcher in London two years ago.

The IDU, which will bring together 135 delegates and observers from conservative parties in 30 countries, is "a rather interesting development" in the eyes of one Washington observer of the increasing international co-operation among Conservative and right-wing political parties.

Mr Thomas agrees that in the past conservative political parties have, partly, because of a reluctance to appear to be interferring in each others' affairs, tended not to be as active in seeking avenues for international co-operation as socialist and liberal democratic political parties. He points to the Socialist International as an example of the closer links among leftist political groups.

One Washington expert on international party political co-operation points out there is a conservative leaning Christian Democratic International, but that what distinguishes the IDU is its vigorous prosletysing on behalf of right-wing conservative views, particularly in South America.

The active role which Mr Richard Allen, a former national security adviser in the Reagan Administration and foreign policy adviser to the Republican Party, is playing in promoting IDU is cited as evidence of the strength of right-wing conservative views in the organisation.

The Reagan Administration's support for the IDU is emphasised by the presence of Vice-President Mr George Bush, another keynote speaker at the dinner tonight, and the Republican Party's decision to host the meeting.

Mr Thomas says that the origins of the organisation, initiated by the formation of the European and Pacific Democrat Unions in 1978 and 1982, lie in the "realisation that there was too much collectivism being promoted as the only caring, people-orientated political philosophy."

He adds that a recognition of common ground on privatisation, the importance of the market economy and, in some areas foreign policy, also helps to account for the desire for the 25 Conservative and Christian Democrat party leaders to meet at what the IDU is billing as a "conservative summit."

Among the prime ministers expected to attend along with Mrs Thatcher are, Mr Poul Schlueter of Denmark and Mr Edward Seaga of Jamaica.

Herr Franz Josef Strauss, the Bavarian Prime Minister and head of the CSU in West Germany, and Mr Jacques Chirac, mayor of Paris, are also due to attend.

U.S. close to deal on selling Landsat to private sector

BY PETER MARSH

THE END OF the long-running effort to hand America's Landsat earth-mapping satellites to the private sector is in sight. The signing of an agreement is imminent between the Department of Commerce and Eosat, a joint venture between Hughes Aircraft and RCA.

Under the agreement, which is due to be signed in the next week, Eosat will take over in mid-October the running of the Landsat craft from the National Oceanics and Atmospheric Administration, an agency of the

Landsat satellites, the first of Commerce Department.

which entered orbit in 1972, relay to ground stations photographs taken from several hundred kilometres above the earth. The information can be used by, for example, farmers to monitor the growth of crops and minerals companies to spot geological faults that may indicate oil deposits.

Digital codes of the photographs are transmitted by radio waves and are turned into useful images by computer techniques. Although sales of Landsat information are put at no more than $20m (£14.3m) annually, sales of "value added" products based on the data, oilfield surveys or super-accurate maps, for example, are 10-20 times higher.

Since its inception, the Landsat service has been run as a federal research programme, with little attention given to marketing of the information from the satellites. As a result, the service has made heavy losses.

Both President Carter and, when he took office in 1981, President Reagan have sought to interest private companies in taking over Landsat. But this proved difficult due to the far from proven market for sales of information from outer space.

Under an agreement negotiated in recent months between the Commerce Department and Eosat, the Government will hand to the consortium $250m over the next five years to fund the lion's share of the development of two more satellites and to improve the network of Landsat receiving stations.

Over this period, Eosat will inject a further $75m of its own cash, according to Mr Charles Williams, president of the consortium.

The first Eosat-built satellite should be in space in December 1988, one year after the Landsat satellite now in orbit (the fifth member of the Landsat series) wears out.

Eosat faces competition from Spot Image, a company partly backed by the French Government, which plans to sell images from a French-built Spot satellite from early next year.

According to Mr Williams, the biggest commercial threat to Eosat comes not from France but Japan. In the late 1980s and early 1990s, the Japanese Government plans a series of orbiting craft to take pictures both of land areas and the oceans.

Eosat is to base its operations in Lanham, Maryland, where it will employ 125 people initially. The number should double in 1987. Data from the satellites will be sold by marketing departments of Hughes and RSA around the world.

As part of the agreement with the Commerce Department, Eosat is to build a ground station, probably in Oklahoma, for receiving the data from outer space.

Widow spiders take Ford for a ride

POISONOUS black widow spiders have been riding the railways and highways from a plastics plant in Mexico to a Ford plant in Michigan, AP reports from Detroit.

At least 24 black widows have been found since June 25 in dashboard parts sent to Ford plastics plant in Saline, Michigan, company and United Auto Workers Union officials said.

"There has been no injury as a result of any of this, but it obviously is thoroughly disquieting," Mr William Selover, a Ford official said.

"The sorting racks holding the parts apparently have hollow tubing and the suspicion is that these spiders were hitchhiking in the tubing," he said.

Black widows are about the size of a grape and are characterised by a red hour-glass shape on their bellies. The spiders' bites are not usually deadly, but symptoms include chills, fever, sweating, abdominal cramps, vomiting and pain.

Ford's efforts to stop the unwanted immigrants have included ringing its car plastics plant in Monterrey, Mexico, with a 3 foot wide strip of insecticide, fumigating racks in Monterrey and Saline, hand inspecting the dashboard parts and torching the racks

Argentines resigned to impasse with UK

By Robert Graham in Buenos Aires

THE ARGENTINE Government is resigned to the present impasse with Britain over the Falklands.

Officials in the Foreign Ministry in Buenos Aires do not discount Britain's method of a step-by-step approach to improve relations. But the Argentine Government is at the moment unwilling to reciprocate Britain's unilateral lifting of the trade embargo, in force since the Falklands conflict in 1982. Britain lifted the embargo on Argentine imports on July 8.

Although the Argentine Government has publicly acknowledged this move to be a positive gesture, the Argentines believe trade relations alone will not alter the basic reality.

This is that Britain is solely concerned with re-establishing normal trade and diplomatic relations without discussing the future of the Falkland Islands.

The Argentines, on the other hand, insist that their main aim in resuming relations with Britain is to ensure that sovereignty is discussed – even if substantive discussion is left to an indeterminate date in the future.

In replying to Britain's lifting of the trade ban, Argentina offered to restart negotiations within the next 60 days, but the Foreign Ministry now feels that such negotiations are most unlikely given Britain's dismissive attitude to this offer.

In private, no initiative is now expected until after the United Nations General Assembly debate on the Falklands in the autumn. A further complication is the holding of parliamentary elections in Buenos Aires in November.

Argentina is already operating on the basis that nothing of value can be achieved in resuming talks with Britain before the end of the year. The main focus in Buenos Aires is on seeking to persuade Argentina's allies in Europe to adopt a more positive position of support in advance of the UN debate.

Since Britain announced it was lifting the trade ban, the British interest section of the Swiss Embassy, which is looking after UK interests in Buenos Aires, has had several inquiries. The Anglo-Argentine Chamber of Commerce has also had inquiries.

WORLD TRADE NEWS

U.S. and UK 'make progress on trade control disputes'

BY DAVID BUCHAN

THE U.S. sees no prospect of persuading Britain to concede the vexed legal argument over the extra-territorial reach of U.S. export controls.

It believes, however, that the two governments are making headway in smoothing over some of their trade control disputes, a senior U.S. official said in London yesterday.

Mr William Archey, Assistant U.S. Commerce Secretary responsible for trade regulation, spoke to reporters a day after he had briefed the Department of Trade and Industry on the new Export Administration Act which Congress finally passed last month.

The briefing also included the new licensing system governing regular technology shipments between Western Allies. The licensing system came into effect this week.

Asked about the view of Sir Michael Havers, UK Attorney-General, that U.S. control over certain re-exports from the UK and over movement of some U.S. technology within the UK was contrary to international law, Mr Archey said: "We have agreed to disagree on this point."

He claimed, however, that British and allied opinion had been taken into account in the operation of new U.S. trade controls, and he cited the "general distribution licences" which the Commerce Department has started to issue this week.

These give major U.S. companies blanket authority for periods of four years to ship certain high technology to their regular customers in countries, which are members, along with the U.S., of the Paris-based Co-ordinating Committee (CoCom)—basically Nato plus Japan.

The original U.S. proposal was that, under such a licence, all CoCom country recipients of U.S. technology would have to provide Washington with a detailed list of all their customers world-wide, so that none of the sensitive goods ended up in the Warsaw Pact.

U.S. allies protested at this, and, Mr Archey said, the customer list requirement was scrapped.

Previous attempts by U.S. companies, like IBM, to control the movement of their machines even inside an allied country such as Britain were made more or less moot by the new distribution licence system, Mr Archey said.

It was a letter a couple of years ago by the UK subsidiary of IBM to its British customers reminding them that the letter of U.S. law required them to notify any changes in use or location of their computers which did much to stir general British animosity over U.S. extraterritorial controls.

Trade controls for national security reasons, agreed on a multilateral basis within CoCom, generally caused less friction between Washington and London than U.S. controls imposed unilaterally for foreign policy purposes, Mr Archey claimed.

Andrew Fisher reports on worsening trends in the seaborne trade industry

Drowsy cargo markets face the big sleep

WHERE HAVE all the cargoes gone? It could be the shipowner's lament of 1985: for after several years of desperately weak bulk cargo markets, they have now become worse than ever.

Normally, the market goes through a drowsy patch in the summer. But this year's slowdown has made markets somnolent enough to alarm those in the industry well used to falling rates and lack of earnings.

Current cargo rates tell a grim story. For example, the rate per ton for coal from Hampton Roads on the U.S. East Coast through the Panama Canal to Japan is under $12, against nearly $30 at the end-1980 peak. Grain and iron ore rates have also slumped in the past four years.

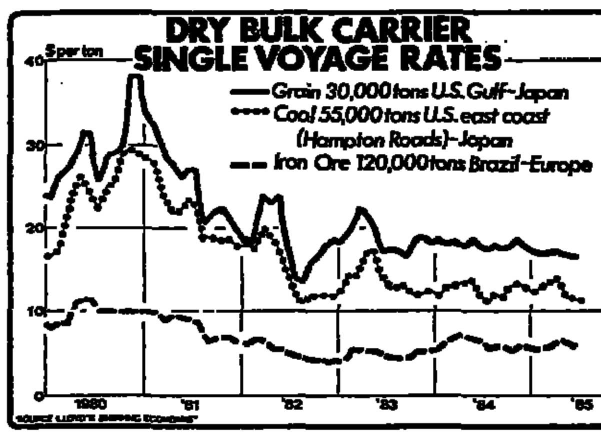
Figures from the General Council of British Shipping were equally depressing, showing its index for single voyage rates for bulk cargoes in June back near the September, 1983, level. This was lower than in 1976, when the index began, and a third of the peak of April, 1980.

Shipbrokers seem to be vying with each other to find the most telling descriptions of the industry's sorry state. From London, Eggar Forrester said: "There is a greater degree of pessimism prevailing in the market than at any time during the 1980s."

Norway's P. F. Bassoe said: "It needs more than a cheerful optimist to expect an immediate upturn in the market." New ships were pouring on to the market and the tonnage surplus was equivalent to about a quarter of the existing fleet.

The old cliches about shipowners being like lemmings in chasing the newest trends, often with disastrous results, and about too many ships chasing too few cargoes are all too painfully true.

The slide in rates for bulk cargoes like coal, iron ore, and grain is not just a reflection of sudden poor demand, though these markets could certainly do with a bit more trading bounce.



For some years, seaborne trade has failed to show the heady growth rates of the 1960s and 1970s, when major industries were still in full expansionary stride. Now, big manufacturing industries are tending to retrench or adjust.

So the new tonnage is not matched by an upsurge in demand. The temptations of low prices and attractive financing at world yards, especially in the Far East, have proved irresistible to many owners.

"Cargoes are not going down," said Mr David Giles, a director of Simpson Spence and Young, the London shipbrokers. "They have, in fact, been growing, but they've been outpaced by the supply of ships."

The output of new bulk carrier tonnage rose last year by 2.6m gross tons to 9.4m, according to Lloyd's Register of Shipping. In the first quarter of 1985, another 2.9m tons were completed, with nearly 4m tons still on order.

This year, said Bassoe, more new ships in the bulk sector would be delivered than ever before. Other negative factors were:

- The rise in the number of combination ships, also able to carry oil, in dry cargo markets during the tanker sector's malaise.
- Prospects of improved world grain harvests, notably in the Soviet Union, which chartered many ships to import grain after last year's poor crops;
- Shipyard capacity. Yards remain desperate for work. (Sanko, the loss-making Japanese group, ordered 125 bulk carriers from domestic yards in 1983);
- Lower oil prices which may prolong the life of older ships by reducing costs. (Bunker fuel prices are some $40 a ton less than earlier this year);
- Less need for raw materials as a result of change in industry's production methods.

This has had a severe effect on second-hand ship prices, now in "free-fall," said Bassoe. This year has so far seen a slide of 40 per cent in values for most types of vessel, which *increases financial pressures on* shipping companies and makes more casualties likely.

As if to rub salt in the wounds, the Oslo broker also referred to suggestions that China may start to export coal and iron ore, so shortening transport lanes to Japan and reducing demand for shipping. Low oil prices do not help coal sales either.

Every so often, one or other sector of the market sees a flurry of activity which encourages owners to order again. This happened with Panamax vessels — 60,000-80,000 tons and able to go through the canal — at the start of the 1980s, then to Cape-size ships (100,000 tons-plus), and finally to handy sized ships of 25,000-40,000 tons.

It was mostly the latter which Sanko ordered in such profusion. These are now an extra drag on the market, especially on the Pacific. But Fairplay magazine's latest listings show numerous bulk carriers of all sizes on order from other Japanese, Chinese, Indian, Iranian, Greek, Hong Kong, Norwegian, and Polish owners.

Norwegians and P & O in liquid gas pact

By Fay Gjester in Oslo

*BRITAIN'S P & O and a five-*company Norwegian shipping group have jointly landed a two-year contract, with options for a further two years, to carry natural gas liquids from a new Norwegian natural gas terminal and separation plant at Kärstø, *Western Norway.*

The Norwegian state oil company, Statoil, which awarded the contract, estimates that it will be worth a total of around NKr 50m (£4.3m) annually. Shipments will consist mainly of propane, with some butane, and will average between 500,000 and 600,000 tonnes annually during the contract period.

Norwegian Gas Carriers (NGC) which controls 15 small gas tankers, will handle smaller shipments from the separation plant, while P & O will take large lots in its big tankers, under a co-operation agreement.

NGC says that the rates under the contract, which will run from October 1 this year, are better than those being paid in the spot market.

The five partners in NGC are Einar Bakkevig, Langfeldt-Skaugen Management, Ivarans, Olivind Lorentzen and Osco Shipping.

French group signs $85m Colombia oil-terminal deal

BY PAUL BETTS IN PARIS

GTM-ENTREPOSE, the civil engineering group controlled by the French Vallourec steel group, has signed a $85m (£65m) contract to build an oil terminal in Colombia.

The deal ends a fierce bidding battle between the French company and Bechtel, the U.S. engineering group, for the award of a major pipeline and oil terminal contract in Colombia.

Bechtel originally won the contract for the 500-kilometre pipeline across the Andes to Covenas on the Caribbean coast. But it hs now su-contracted the terminal part of the deal to GTM-Entrepose.

The French company had originally hoped to win the entire $500m pipeline project. To give itself a better chance to beat Bechtel, GTM-Entrepose agreed to drop a $10m claim against Ecopetrol, the Colombian state oil company, on an earlier project

The claim had soured relations between the French company and Ecopetrol, and is believed to have cost GTM-Entrepose a contract for the initial section of the pipeline which Bechtel has been contracted to build. This first section went to Mannesman of West Germany.

The pipeline and the terminal are regarded as a key project for Colombia

Philips/S. Korea venture

BY LAURA RAUN IN AMSTERDAM

PHILIPS, the Dutch electronics group, plans to establish a $50m (£38m) joint venture with Dongwon Electronics, a South Korean company, to manufacture and export of VHS videocassette recorders.

Approval for the joint venture, to be 70 per cent owned by Philips and 30 per cent by Dongwon, is expected from the Seoul Government within months.

The plans are for annual production of 500,000 VHS recorders of the type compatible with television sets in the Far East and the U.S. market, with production rising to 1m by 1989.

This is Philips' third Far Eastern co-operative arrangement announced in the past 10 day following a fibre-optics technology transfer to China and a home-telecommunications joint venture with Kyocera of Japan.

Inmarsat books launches on Ariane and Shuttle

BY PETER MARSH IN LONDON

INMARSAT, the international body responsible for satellite communications between ships and shore bases, has played safe by ordering launches on both the U.S. space shuttle and Western Europe's Ariane for its next generation of space vehicles.

The shuttle and Ariane are the two main contenders in the growing business of launching communications satellites, worth about $500m a year.

The 43-nation Inmarsat, based in London, is paying $75m for two satellite launches on the shuttle and a third on the European rocket, which is sold by Arianespace, a company in Paris.

Inmarsat's family of three new satellites, which a British Aerospace-led consortium is building at a cost of $150m, will enter orbit after June 1988.

Mr Olof Lundberg, the organisation's director general, said, "We could afford to lock Inmarsat into only one (launch-vehicle) supplier this early in a spacecraft programme, particularly when the launch vehicle market promises to be very competitive."

Italian transport company wins $100m U.S. order

BY ALAN FRIEDMAN

BREDA, Italy's state-owned public transport construction company, has won a $100m order to supply the city of Washington D.C. with 72 new carriages for its underground system. The contract brings the total value of underground vehicles supplied by Breda to the Washington Metropolitan Area Transit Authority since 1980 to $400m.

Breda, the Pistoia-based company which is part of the EFIM state holding group, has already shipped 294 carriages to Washington. The company originally beat Japanese, Canadian, West German and French bidders.

The company will deliver the newest order for 72 vehicles by late next year or early 1987. Breda first won orders in the U.S. market in 1978 when the city of Cleveland, Ohio, ordered $40m worth of trams.

Breda last year had total sales of L212bn ($110m) and net profits of L4.3bn. It employs 1,360 workers and said that in 1984 some 67 per cent of total revenues came from outside Italy. The company is presently at work on a project for a new underground line in the City of Rome.

Recovery stifled by high interest rates, says CBI

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

THE CONFEDERATION of British Industry (CBI) warned the Government yesterday that high interest rates and the rising exchange rate were beginning to strangle the recovery of manufacturing industry.

Sir Terence Beckett, CBI director general, said: "We believe we have been seeing the first indications of the recovery levelling off." He was speaking as his officials analysed the data from the latest CBI quarterly survey of industry, which is to be published on Tuesday.

Although Sir Terence said he had not seen the survey results, it is unlikely that he would have made yesterday's comment without some indication that it will suggest a rather gloomier trend.

The CBI's more sombre view was supported yesterday by the latest survey by the Association of British Chambers of Commerce. That showed that the recent optimism about export-led economic growth had been subdued by the effect of a strengthening exchange rate and high interest rates.

Preliminary results showed sharp falls in export orders and deliveries throughout the country for the first quarter of the year, with the north west of England particularly badly affected.

Mr James Ackers, chairman of the association's national council, said yesterday: "We fear an unnecessary and ill-considered repeat of the 1979–81 monetary policy which had such devastating effects on the competitiveness of British industry."

The last monthly survey of industry by the CBI in June indicated that order books were close to their best levels for eight years. Those results encouraged the CBI to predict that the economy would grow by 4 per cent this year, an even more optimistic projection that, the Treasury's. Since then, however, industrialists have voiced increasing worries to the CBI.

At the end of last month, Sir Terence wrote to Mr Nigel Lawson, Chancellor of the Exchequer, pleading for an immediate 2-percentage-point cut in interest rates "for starters." He was roundly rebuffed by Mr Lawson.

The pound is now about 18 per cent above its average level in January. In the last six months it has appreciated 13 per cent against the D-Mark and 25 per cent against the dollar, but its value against a trade-weighted basket of currencies is still only at about the average level for 1983.

Yesterday Sir Terence said that only two weeks after the Government had criticised industry for giving too much away in pay, it announced large increases for senior civil servants, judges, admirals and generals. He added: "We are becoming increasingly concerned at the tendency of the authorities to dig in – their bunker mentality.

"There have got to be still more reductions in interest rates to get the exchange rate more in line with our competitors. The City of London knows it; the banks know it; even the newspaper columnists have got the message. Continuation of present policies will harm our exports and encourage imports."

Andrew Fisher finds a state industry in better shape

Leaner, fitter look at the yards

BRITISH SHIPBUILDERS will have a stark message for the industry's unions when it meets them for routine talks later this week.

Mr Graham Day, chairman, will tell them, in essence, that the world merchant shipbuilding market is in a sorry state, with no improvement in sight. "We're in a very difficult industry, in a time as bad as at any since the 1930s." The message is one they have become all too used to hearing in recent years.

This time, however, there is a difference. After much trimming, slapping, and massaging, BS is in better shape to meet its rivals. On the merchant side, enough orders have come in during 1985 to give yards a stronger base for the future.

In a year's time, BS will consist only of its merchant yards. The big, profitable warship builders will have been sold to the private sector – Yarrow on the Clyde has already gone. Nor will there be any ship-repair yards. Tyne Shiprepair, the biggest, was taken over by its managers last year.

British Shipbuilders' £25.2m trading loss for the financial year to March 31 is well within the £50m limit already forecast by Mr Day, and far below the record £161m loss suffered the previous year. This year, he hopes for a further cut in the deficit.

The 1984-85 improvement reflected the sale of major lossmakers, notably the Scott Lithgow offshore yard, rather than an underlying upturn. BS had to provide a further £53.5m to cover past liabilities of this yard, making a total group loss of £106.8m (£232m). The merchant yards, the core with which BS will be left, employing 10,000 people, lost £59.3m (£49.2m).

Through lack of work, overhead costs were not matched by revenues. The cost of under-utilisation of facilities was put at £52m, though yards' manufacturing costs fell as a result of greater efficiency.

This year, the potential cost of yards not being fully used is under £30m, said Mr Phillip Hares, finance director. On the warship side, where Vickers and Cammell Laird will be sold as a package and Swan Hunter and Vosper Thornycroft separately, profits edged up to £45.5m from £43.8m.

Emphasising the use of new technologies such as lasers, computer aids, robotics, and fibre optics, as well as the productivity deals with the unions, Mr Day said: "The merchant builders have looked over the precipice and don't like what they see and, therefore, have been adaptable to change."

The changes, involving more flexible working practices, have helped yards such as Govan on the Clyde and Sunderland Shipbuilders on the north-east coast of England each to land major £40m plus orders this year.

Naval builders could find life tougher in the free market, Mr Day believes. While their product is undoubtedly sophisticated, their processes are not always so. The implication is that defence work has offered a guaranteed profit margin which the Government will no longer tolerate.

In the merchant field, Mr Day reckons that the crunch will come in 1986-87. The world market dropped by 20 per cent last year and prices also fell. "We're so vulnerable to volume, price and the timing of orders."

After two years of sharply declining orders, BS showed a jump from 117,000 compensated gross registered tons to around 200,000 cgrt (a measurement which includes work content as well as size) in its last financial year.

It hopes for the same this year, but Mr Day is not over-optimistic with the present state of the market. BS's strategy is not to meet Far Eastern builders head-on in the battle for big ship orders, but to go for niches in offshore and other specialised shipping. The 1985 orders include a North Sea ferry, a crane ship and offshore support vessels.

Mr Day, who earned £101,000 last year including performance bonuses, has become more disenchanted with the policies followed in Asian yards. Of world builders he says probably only Finland is without some form of subsidy.

In a market where Far East shipbuilders persist in selling and financing sales on terms which do not cover costs, let alone provide profit, European shipbuilders, their employees and governments inevitably pay the price.

"Unless more responsible policies are adopted in South Korea and Japan, it is difficult to see how any European shipyard can maintain its capacity even at the present dramatically reduced levels."

Government raises projected increase in size of workforce

BY JOHN LLOYD, INDUSTRIAL EDITOR

THE GOVERNMENT has sharply revised upwards its projections of the size of the labour force over the next seven years – a revision which puts further pressure on the unemployment totals.

Projections of the number of people available for work over the years 1984-1991 show the labour force growing by some 830,000 people – 400,000 more than had been projected in August 1984.

Much of this increase will take placed between now and 1989, thus facing the present Government with an even greater task than it had believed in creating sufficient jobs to bring the unemployment figures down before the next general election.

Demographic pressure account for a large proportion of the new entrants into the jobs market, with some 440,000 people expected to enter the labour market over the next four years.

Women entering the workforce in ever larger numbers is the second main cause of the increase, and the main reason why the estimates have been revised upwards so sharply. The report says that "for women, the outlook is for fairly substantial increases in the labour force – 450,000 between 1984 and 1989 – as female activity rates are projected to rise, reinforcing the effect of population growth."

It says that fertility projections used in the forecasts show that women are expected to have children at a later age – thus further increasing the projected female activity rates.

The labour force has grown at an average rate of 140,000 throughout the 1970s, then increased to a rate of 300,000 a year between 1980 and 1983. Between 1983 and 1984 it grew by an "unprecedented" 510,000.

The projected activity rates show that, for both men and women, the overall growth between 1984 and 1991 is made up of an increase among those aged 25–54 and declines among those aged 16–24 and 55 plus.

Belgrano sinking 'ordered for military reasons'

BY HUGH O'SHAUGHNESSY

THE order to attack and sink the Argentine cruiser General Belgrano during the Falklands war "was authorised for legitimate military reasons, and not out of political design."

This is the final conclusion of the report of the sinking of the ship published yesterday by the House of Commons Foreign Affairs Committee.

The report, backed by the Conservative majority on the committee, argues strongly that the peace proposals to end the war, tabled by the Peruvian Government, were not known to the War Cabinet when it met on May 2 1982. These proposals in any case were not sufficiently well developed to have justified an order not to sink the Argentine vessel.

The committee thereby absolves the Government of any suspicion of having ordered the sinking of the Belgrano in order to counter the Peruvian peace plan,

The committee, chaired by Sir Anthony Kershaw, nevertheless finds that as a result of "the approach to the sinking adopted by Ministers, the House remained for too long in ignorance of information which members were perfectly entitled to request and some of which ceased to be of operational significance soon after the end of hostilities."

It adds: "This was not, we believe, the result of a deliberate cover-up, but of excessive caution on the part of Ministers and their advisers."

A more critical view of the sinking is given in a minority report prepared by Labour Party members of the committee who claim the Government attempted to cover up events leading to the sinking.

Writs for libel served on Lawson

BY MARGARET HUGHES

TWO WRITS claiming damages for libel were served yesterday afternoon on the Chancellor, Mr Nigel Lawson, by Arthur Young, the international accountancy firm, over remarks he made on television and radio on June 20 following his first statement to the House of Commons on Johnson Matthey Bankers.

Arthur Young were auditors to JMB before the bank's collapse in September last year with losses of £248m. Arthur Young claim the Chancellor's comments prejudged responsibility against the firm for the "near collapse" of JMB.

The writs were accepted on Mr Lawson's behalf by the Treasury solicitor's department. Neither the Chancellor nor the Treasury would make any comment yesterday on the two writs in which the level of the damages claimed was not quantified.

On Tuesday a writ was served by JMB, which is now a wholly owned subsidiary of the Bank of England, on Arthur Young claiming damages and interest for alleged breach of contract and/or negligence in the firm's capacity as auditors and accountants to JMB for the 1983 and 1984 financial years to March 31.

Writs have also been served by Arthur Young on the radio and television companies and on the journalist who interviewed Mr Lawson on one of the programmes. One of the writs served on Mr Lawson also names the BBC over remarks made by Mr Lawson on its Radio Four World Tonight programme.

The other writ served on Mr Lawson also names Independent Television News and Channel Four over comments made by the Chancellor on the Channel Four News programme. The third writ does not name the Chancellor. This has been served on the BBC and Mr Rodney Smith whom Arthur Young allege libelled them on the Financial World To-night programme.

McKenna & Co, the solicitors, who served the writs on behalf of Arthur Young, said the decision to take libel proceedings against the Chancellor had been made after they had first written to Mr Lawson stating Arthur Young's views on the content of his broadcasts. No response had been received to the July 14 letter and "no statement appeared likely" from the Chancellor to correct the position.

Windfall profits 'should be paid back'

WINDFALL profits of between £220m and £300m made by Britain's defence industries between 1980-84 ought to have been paid back to the Ministry of Defence, the influential all-party Commons Public Accounts Committee believes.

In a special report on non-competitive government contracts – most of which are for defence equipment – the committee says the MoD and the Treasury should have taken "a much more vigorous approach" to the profits which defence companies have been allowed to make in recent years.

□ LESS alcohol is consumed by Britons than drinkers in almost every other comparable country in the world, according to figures published by the Brewers' Society, which also show per capita consumption of alcohol in 1984 was less than in 1974.

□ BRITAIN is running short of trained and experienced tax inspectors, and its officers are getting badly behind with their work, the Inland Revenue says in its annual report for 1984. Tax collection offices also ended the year with larger arrears of tax still to collect.

□ THE GOVERNMENT is to boost the teaching and use of computers in schools by increasing funds by nearly £8m.

Railmen end action after court order

BY DAVID BRINDLE, LABOUR STAFF

LEADERS of the National Union of Railwaymen decided yesterday to obey a High Court injunction obtained by British Rail and to end their opposition to railbuses being built in the private sector.

The decision by the NUR's Left-led executive committee represents one of the most significant victories for the Government's employment legislation and one of the clearest signs that the unions are learning to live with it.

However, the episode could also spell deeper trouble for the rail industry. Faced with BR's readiness to use the law, the NUR executive decided to hold national ballots on industrial action among guards and workshop staff.

Although details of the ballots have yet to be decided, Mr Jimmy Knapp, the union's general secretary, warned last night that action by guards could be so widespread as to bring the rail network to a standstill.

The executive's decision to comply with the employment law followed the NUR conference's policy switch last month to favour pre-strike ballots. Nevertheless, Mr Knapp faced stern opposition yesterday from executive members

MPs warn of new brain drain

BY DAVID FISHLOCK, SCIENCE EDITOR

EVIDENCE that a new brain drain of scientists from Britain was beginning has been given to an all-party select committee of MPs.

Sir Gerald Vaughan, a member of the committee, said research council chiefs and the Royal Society, which promotes the advancement of science, were worried about the trend.

The committee concluded the Government should give science more money to cover extra administrative costs beyond the control of scientists.

The extra money involved would amount to about £33m in the next financial year, rising to about £42m for 1988-89.

Sir William van Straubenzee, chairman of the education, science and art committee, said yesterday that the scientists who appeared before his committee had made a persuasive case to MPs, who began their inquiries as sceptics and reached their conclusion only "after a very considerable amount of thought."

Sir William said he hoped the committee had produced its report – a diversion from its main task of investigating standards in British primary schools – in time to influence next year's science budget.

The report concludes that the Government should increase the amount of its science budget used to "buy science" by shouldering separately the extra costs of pensions, redundancy payments and other changes occasioned by an internal restructuring of some important areas of research.

It also wants the Government to meet most of Britain's contribution to international research programmes, such as the European organisation for nuclear physics (Cern) centred in Geneva, and the European Space Agency, separately from the science budget, mostly via the Foreign Office. That would insulate the science budget from currency fluctuations.

The MPs recommend that annual increases in the science budget should be at least 3 per cent above inflation.

The report notes that although the science budget – £584m this year – represents only about 12 per cent of Government-funded research and development in Britain, it makes an important contribution to research and education.

"We do not feel we are pushing against a closed door," said Sir William when asked whether he thought the Government would heed the pleas for more money.

The future of the science budget. House of Commons Paper 46-I, SO. £3.90 (vol. 1) and £8.80 (vol. 2).

THE ARTS

Aix-en-Provence Festival/Ronald Crichton

Three operas for new theatre

The open-air structure which the artist Cassandre designed for the summer opera festivals at Aix-en-Provence lasted for some 40 years. Now the theatre architect Bernard Guillaumot has designed a new one, unveiled at the opening of the present festival. Same place—the courtyard of the Archbishop's palace, next to the *cathedral*. More seats (just over 1,600) shared between stalls with a steepish rake and two tiers of balconies on steel scaffolding. A wide, adjustable proscenium, a roomy stage with space above to fly sets for three or four operas. The blend of traditional and modern works well—the proscenium arch looks heavy but once the house lights are down you can't see it—and in spite of the size there is a feeling of intimacy. The whole contraption can be *quickly dismantled and stored* until the next festival.

Judging from this year's three operas—*Figaro*, Monteverdi's *Orfeo* and *Ariadne auf Naxos*, voices carry strongly, orchestral sound is fair to *thin. The auditorium seats are* not, for long stretches, as comfortable as they look, and adjusting one's position on the shiny surface is not easy. Since they don't fold back far enough to make up for absence of leg-room, squeezing past is difficult. No self-respecting French opera-goer dreams of sitting down until the last possible moment. Small details, compared to the efficiency with which the installation has been carried through in an apparently short time or with the high technical standard of the three productions, all new, and presented within little more than a week.

Two successes, of which more later, one disappointment—*Figaro*. This is a co-production with the operas of Lyon, Nice and the Fenice at Venice, with assistance from the Action musicale Seita. Orchestra and conductor, John Eliot Gardiner, are from Lyon, one of the liveliest opera houses of the day, whose connections with the Aix Festival are close, Louis Erlo being director of both. Aix has done much in the past for the cultivation of Mozart's operas in France but the choice of the Florentine architect Pier Luigi Pier'Alli as producer and designer of their new *Figaro* did not turn out happily.

Mr Pier'Alli had an idea. Beaumarchais — clockmaker's son, trained to follow in father's footsteps. So then—clocks and clockwork. A travelling clock among the props. A large clock-face let down now and then, ticking away at galloping stage *time. At moments when the plot* thickens more quickly than usual, two panels of clockwork appear, revolving squeakily. Stage centre occupied most of *the time* by a *big circular open*ing like a giant porthole, in reality the rim of an absent *clockface, the frame serving* many purposes including door to clothes cupboard and window for Cherubino's escape from the Countess's bedroom. Singers' postures exaggeratedly theatrical. Of Mozartian feeling, fury or fun, not a trace. General effect irritating—and deadly dull.

It would be agreeable, but untrue, to say that the conductor saved the situation. Mr Gardiner, as the overture showed, has made a responsive ensemble out of the Lyon Opera Orchestra, but the ensemble was not wholly secure and the accompanied recitatives—how *could this happen with a musi*cian who deals to ably with the problems of Rameau's declamation?—went limp. Lella Cuberli's Countess was as smooth and creamy as a young Lisa della Casa, Christine Barbaux's Susanna similarly limpid but cold and inexpressive.

For the rest it was a question of competent singers in search of direction—the potentially good Figaro of Gilles Cachemaille, the Count of Thomas Hampson, well sung but played with monotonous inoffensiveness, a Cherubino from Diana Montague giving a mere sketch of what we know she can do, Ugo Benelli's Basilio reduced to a jerking automaton. A large *number of people are going to* see this *Figaro*. With such a perverse conception it will need more than a clockmaker's ingenuity to set things right.

The Aix *Orfeo* is a many-pronged, cosmopolitan affair, a co-production with the Geneva and Orleans Operas and the Théâtre des Champs Elysées in Paris, sponsored by Air France. A film has been made. Erato have recorded the performance (NUM 75212, two discs) in coopreation with Radio France operation with Radio France Orchestra from Lyon Opera, *chorus from the Chapelle Royale* of Ghent, ballet from the Grand Théâtre of Geneva. Swiss conductor, Michel Corboz, and producer, Claude Goretta, a distinguished film director. The fact *that so much work had* been done already no doubt explained a degree of unity and certainty unusual at such an early stage.

Goretta and his designer Jacques Bufnoir have chosen a primitive-classical approach with Greek tunics, drapes, hillocks which slide about and recompose, lighting (by Philippe Hutinet) in strong, clear, beautiful Wieland-Wagner colours, barefoot "Greek" dancing. That sounds as though the artiness which plagues revivals of both Monteverdi and Gluck's treatment of the Orpheus legend has crept in. Mercifully, this is not the case. The effect is simple, direct, fresh. I gather, from scrutiny of the record box, that *the edition* used is by Edward H. Tarr, published by Costallat.

The evening started on a high level with the strophes of La musica projected with impeccable clarity from one of the proscenium boxes by Colette Alliot-Lugaz—for once Monteverdi was not spoiled by under-casting of the divinities or allegorical figures. Orpheus was Gino Quilico, forthright and passionate, attacking the melisma roughly at times, yet roughness is preferable to the expiringly sorrowful, self-pitying quality some baritones bring to the role. Carolyn Watkinson as the Messenger, *Danielle Borst as Proserpine* and Audrey Michael as Eurydice graced the stage. François Le Roux was a vigorous Apollo (on the records the role is sung by Eric Tappy). Frangiskos Voutsinos a sinister, jovial Pluto.

*

The new *Ariadne auf Naxos* is described as a co-production with the Cociété Lyonnaise de Banque. Presumably that means sponsorship. Whatever the arrangement, the Bank have *reason to be proud of their co*-creation. I hope they mean what they say in their handout concerning the encouragement of interesting operas rarely per*formed*. Perhaps they will remember two distinguished but neglected sonsof Aix, Campra and Milhaud. The Festival's director Louis Erlo, who produced an excellent Milhaud *double-bill of Les Malheurs d'Orphé* and *Salade* for one of the Gulbenkian Festivals at Lisbon, would surely agree.

Producer Göran Järvefelt and his designer Kathrine Hysing have made a worthy framework for Jessye Norman's stupendous Ariadne, one which would hold together without a central performance of this magnitude. *A baroque-style private theatre* in Hofmannsthal's time with, *for the opera*, a backdrop based on Böcklin's "Isle of the dead." The direction, of the comedians especially, is intelligent and stylish with only one slight miscalculation. The anarchic quality of the comic interruptions is perfectly right, but after Zerbinetta's big solo the *romp* gets too quickly out of hand and threatens to pall.

It is mean to double the dancing-master with Brighella, but Steven Cole does both so well that one cannot seriously object. The Zerbinettta of Ghylaine Raphanel is a quiet foil both to her fellow-comedians, led by Stephen Dickson as a more than usually interesting Harlequin, and to Ariadne. The top register is not brilliant but soft and supple. An original view of the bright little know-all but a tenable and sympathetic one. There is a peach of a composer from Jeanne Piland, American in spite of her name, who was given a thunderous welcome at the end of the prologue.

Miss Norman, splendidly and statuesquely robed in mauve and black, sings sumptuously, pouring out full-throated passion over the whole range of the voice. At times, in Ariadne's first cries of grief on finding herself abandoned and on the arrival of the unknown god, a kind of animal ferocity seemed to fill not only the whole theatre but the sky above it—a long way from the customary sullen pouts displayed in this role. It would be hard for any tenor to match this. William Johns, presenting Bacchus as a *neat little German princeling*, did not do so. But he sang firmly and bravely.

Semyon Bychkov, a Leningrad-born conductor now working in the U.S., wisely did not try to conjure the full Straussian richness from the Radio France New Philharmonic. Their contribution, like much else in this evening, was clear and intelligent, with bonuses one can't always count on in readings, such as the accuracy of the wind chording in the final scene.

Audrey Michael and Gino Quilico in "Orfeo"

Romeo and Juliet/Coliseum

Clement Crisp

When the Bolshoy Ballet made its first tremendous impact in London in 1956 it was with Leonid Lavrovsky's *Romeo and Juliet*, Ulanova as the heroine, and with this staging and performance our standards and views about the full-length ballet underwent a profound change.

Here was a massive new way of presenting balletic drama, opulent in means, operatic perhaps in style, but compelling both as dance and as spectacle.

There followed a series of stagings, from those by Cranko and MacMillan to more recent versions by Grigorovich, Neumeier, Nureyev, which have variously developed that initial, Muscovite manner.

And in the pre-Bolshoy distance there was a staging which Sir Frederick Ashton had made for the Royal Danish Ballet in 1955.

Conceived for a company of dance-actors, modest in scale because made for a modest stage, it was seen at the Edinburgh Festival and in New York, and was given in Copenhagen for a decade, before disappearing from the repertory.

It was thought to be one of those victims of changing balletic fashion, and whatever the regrets at the loss of a major work by a master choreographer, it was supposed to be lost for good.

But rehearsal film, notations by a member of its cast, Niels Bjorn Larsen, survived, and now London Festival Ballet has restored it to the stage, a rescue operation in part inspired by Peter Schaufuss's affection for a work in which his mother, the late Mona Vangsaae, was the first Juliet, and in which the boy Schaufuss had danced a tiny role.

With Ashton's own guiding hand to correct the text and instil the proper *stylistic* manner, with designs by Peter Rice after his original décors, and with Schaufuss now its Romeo, it took the Coliseum stage on Tuesday night.

It is, it must be admitted, a very different version of the tale, owing nothing to the gigantism which came with the Bolshoy, and eschewing all the bustle and dramatic bravura of later productions.

A key to the Ashton approach can be found in Peter Rice's uncluttered permanent set of steps and colonnaded arches.

Verona is nowhere present: the action is told in simple, almost domestic, terms, concen*trated upon the two lovers* — Katherine Healy the Juliet to Schaufuss' Romeo — changes of location indicated by the introduction of minimal decorative items.

The language seems more restrained, more precise and less exultantly emotional than in any other version I know, and the dramatic fabric of the tale, the sharpness of characterisation, is underplayed save in the work for the lovers.

There results a ballet which is sometimes at odds *with the* power of Prokofiev's music—somewhat cut in this version—and one which demands, but does not as yet receive, interpretations of the closest and most brilliant focus.

There are many *choreo*graphic felicities, but that surge of passion which must bear us along with the tragedy, was rarely apparent in this first performance.

And by its very economy of means, there seems not enough room for the expansion of the drama: certain characters seem ciphers, and the way in which we now understand the tale—in its post-Bolshoy existence—as a dance tragedy sprung from a clearly defined historic setting, is often contradicted by the abstractions of the Ashton view.

Peter Schaufuss makes an honourable first sketch of Romeo; Miss Healy, very young, is technically neat, but does not bring much lyric or emotional resonance to her reading.

Places to Crash/Latchmere

Martin Hoyle

This evening of five short plays presented by Gentle Reader, a company of bright and likeable young actor/*writers new to me*, never quite lives up to the opening *coup de théâtre*. The white backcloth falls forward to take its place as a cushion-strewn carpet on the floor, and from behind it burst the beaded and beflowered reminders of an era *that* now seems as remote as the first Elizabethans.

In the psychedelic summer of 1967 the commune that shares aristocratic Gem's house drops acid to the sound of the Beach Boys' "Good Vibrations," makes out *washing-up rotas* ("That's a groovy idea"), loves, squabbles and breaks up to the ironic sound of "Here Comes The Sun." "I'm being too cloying, aren't I? Like a great big nesting bird," coos clinging Kath; and the evening's chief interest lies in Rosalind Adler's beautifully rounded portrayal of apologetic gush, the possessive single parent devoted to sculptor Colin, whose suffocating love is the irritant that drives the exasperated crew to take the first tentative steps in partial and painful growing up.

Devised through discussion *and improvisation* by some of the cast, the show has moments of sharp truth. Charles Grant's Gem, *filling* his Ladbroke Grove home with "wonderful people living in peace and harmony, man", making the obligatory bisexual advances to his tenants, and Emma Relph's languidly arrogant upper-class bitch, secure in self-absorption, whose favourite conversational *ploy* is "*tell me about myself*" are recognisable; though Holly de Jong's white South African dissident remains undeveloped and Max Hafler's Colin is no more than a fashionable Mersey accent.

For one of that generation, the sound of Stones, Beatles and Kinks and the herbal smell were more redolent of the period and its sweet, silly hopefulness curdling into solipsism than the slightly inconsequential play.

The evening's second half comprises four playlets linked tenuously by each protagonist's visit to the same room in Ladbroke Grove, now part of a flat conversion for sale — a laboured contrivance for items conceived separately. A cool — in most senses — exploration of living together that culminates in an off-hand proposal (the inheritance of the laid-back Sixties?) needs tightening up; the story of a gay and *fashionable astrologer's harass*ment by a love-starved woman lacks conviction chiefly through Mr Hafler's unlikeliness as gay, fashionable or astrological; and the nightmare that subjects model and budding starlet Stephanie to a hideously sadistic TV quiz-game suffers from over-obvious social and sexual comment.

Brigitte Fassbaender/Wigmore Hall

Andrew Clements

Miss Fassbaender was an absentee from last Friday's Moz t *Messiah*, which opened the Proms. Happily, whatever kept her from that engagement had disappeared in time for her recital at the Wigmore Hall in which she was partnered by Irwin Gage.

It proved to be a most memorable evening, as intelligently executed as it was skilfully planned. The first half was given over entirely to Schumann—five assorted Heine settings followed by the Heine *Liederkreis Op. 24*. Miss Fassbaender's Schumann is well known from recordings; it lays great stress on immaculate verbal inflection, less perhaps on continuity of line. Thus the tripartite scheme of "Tragödie: I, II, III" from Op. 64 became nothing short of a miniature scena, its central section tense, theatrically perfect.

In the song cycle also the dramatic shape of the sequence was unusually well presented. Voices more ample but infinitely less interesting than Miss Fassbaender's would make broad *effusions* of *such* numbers as "Berg' und Burgen" and "Mit Myrten und Rosen," where *she* was more interested in giving them a correct context and a colouring that would best articulate their meaning. The *Op. 24 Liederkreis* is not the most even of Schumann's cycles, but it rarely sustains itself as *fluently as it did here*.

Mr Gage proved to be an engaging accompanist in all the Schumann settings; one or two of the more extended postludes were tricked out rather self-consciously, but the way in which he unfolded the twining lines of "Mein Wagen rollet langsam" from the Op 142 collection was admirable. In a group of Liszt songs he delivered the sometimes extrovert writing with great panache, a well measured complement to his singer's exquisite sense of style and unfailingly well enunciated French.

Richard Strauss closed the published programme: an understated, rapt "Morgen," a sweet, affecting "Zueignung." Berg's *Four Songs Op 2 were however* the outstanding accounts of the second half.

That Miss Fassbaender is a Bergian of exemplary understanding we know from her appearances as the Countess Geschwitz in *Lulu;* but the perfectly shaded and idiomatic way in which she delivered the early songs made one eager to hear much more of her in the music of the Second Viennese School.

Few singers of her comprehension and control tackle *such* repertory, but then she is in so many ways a quite exceptional artist.

The Mladinsko Theatre of Ljubliana at the Riverside Studios

Mass in A Minor/Riverside Studios

Michael Coveney

To be real, states the prologue, this story should be told in Russian, Ukrainian, Bulgarian Romanian, Hungarian or Yiddish. Or in a *combination of* all those languages. The remarkable, impassioned production presented by Lift in the smaller of the Riverside studios is a memorial ritual for the life in particular of Boris Davidovich Novsky and the death in general of a populist revolutionary movement in eastern Europe.

The occasion marks London's first chance both to sample the work of Ljubisa Ristic, one of Yugoslavia's (and Europe's) leading directors, and to salute the extraordinary *quality of the* Mladinsko Theatre in Ljubljana. It is difficult, but not impossible, to follow the proceedings which are enacted on eight stages around an audience seated on cushions in the middle of the studio. Your Serbo-Croat may not be up to scratch. But the overall meaning and energy of the performance are unmistakable, and there are many passages in German and French.

Novsky was a scientist and political activist who was a victim of the Stalinist purges and was found dead in Siberia in 1937. At one time, according to Danilo Kis's short story based on his life (re-printed in its entirety in an excellent programme) he was known as "the Bolshevik Hamlet." In a striking sequence, we see Lenin gesticulating and orating wildly—but in utter silence—on the Stalinist podium while, on the other side of the theatre, a scowling long-coated actor recites Hamlet's "Fall of a sparrow" soliloquy; another then takes over with (again in English) "To be or not to be" and is struck down with an axe.

It is a stunning reminder of the *revolutionary function* of art and a point, perhaps, that could only be made with such force by an Eastern European company. The early passages of *Mass* establish Novsky's Jewish and radical orientation through a series of vivid tableaux while Lenin sits impassively in a library, indifferent to the story. The company sings some wonderful folk and Jewish songs in between dismissing the various "official" tracts of Bakunin, Trotsky, Kollontai and Kropotkin.

Novsky, who is individualised only so far as the didactic point of the evening demands, is *sucked into the vortex of the* uprising in a Petersburg salon, where Schumann is usurped by Chaikovsky at the piano and "Isadora Duncan" dances to the Internationale.

Chewing the revolutionary fat in a German religious sanatorium, Novsky can glimpse the disaffected, incipiently rabid Berlin cabaret. This sequence is hard to understand, but Ristic counterpoints the debate with a line of showgirls vici*ously strutting their stuff* while a Chaplin film is projected on the wall behind them.

The mood then switches to one of domestic and sexual intimacy, couples pondering their fate and responsibilities while news of the Krondstadt uprising is channelled through the radio stations. As the politburo assembles to sing a rousingly ironic version of the Soviet anthem, ordinary lives are blown apart, beds upturned, rooms rummaged, Novsky tortured and confined. A dirge-like company version, with new English lyrics, of the Beatles' "*She's leaving home*" ends with a forest camouflage thrown in disgust to the floor and the line "USSR, Bye-bye."

I suppose because it is from abroad and not about the miners' strike, this is the sort of Riverside show the GLC dubs "elitist." It is, in fact, an intellectual radical vaudeville, robust and theatrically primitive, a cry of anguish and defiance from a country which knows the price of freedom and the value of independence.

Youth & Music appeal for £100,000

The Trustees of Youth and Music has launched an appeal to raise £100,000 for the Robert *Mayer Trust*.

The trust was set up last year after Sir Robert's death to ensure the continuation of the Robert Mayer Concerts for children, and Youth and Music.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

July 19–July 25

Exhibitions

SWITZERLAND

Martigny: Fondation Pierre Gianadda: 250 Klee paintings in the striking modern gallery built over the Roman ruins of the city of Octodurus. Ends Nov 3. (026/2 3978).

VIENNA

Vienna 1870–1930: Dream and Reality: The greatest names of the Viennese fin-de-siècle – Klimt, Otto Wagner, Schiele, Kokoshka, Adolf Loos, Josef Hoffman – in a dazzling display of Jugendstil creative genius. The attempt to integrate the artistic achievements of this era with philosophical developments (notably Wittgenstein but also Freud) and political transformations (the emergence of municipal socialism on the ruins of Baroque splendour) is ambitious and only partly successful. The complex tension between autocratic and censored reality on the one hand and the illusions or fantasies of individual artists on the other is hinted at but not fully explored. A high point of the show is a reconstruction of Hoffman's room at the secession exhibition of 1902. Here, triumphantly restored, is Klimt's fifty-foot Beethoven frieze depicting humanity's progress through suffering to joy on the theme of the Ninth Symphony. Displayed exactly as intended, this alone is worth a special visit. Kunstlerhaus. Ends October 6.

SPAIN

Madrid: Palacio de Cristal and Palacio Velazquez, Parque del Retiro: Spanish sculpture 1900-36. Sculpture and *drawings* by Picasso, Miro and contemporaries. The selection includes two works featured in the 1937 Paris exhibition, at the height of the Spanish Civil War, and now shown in Spain for the first time: Picasso's Femme du Vas and Julio Gonzalez's La Montserrat. Ends July 30. (2747775).

Santander, Santillana del Mar. The splendour of pre-Colombian culture. Gold exhibits from the Quimbaya Treasure. Fundacion Santillana, Torre de don Borja. Ends Aug 30.

LONDON

The Tate Gallery: Francis Bacon, Britain's greatest living painter accorded the rare distinction at the age of 76 of a second full retrospective exhibition at the Tate, 20 years after his reputation as an artist of world standing was first put beyond all doubt. Now we see him no longer as a unique and extraordinary figurative, surrealist expressionist, but as an artist who has come at last into his own, as younger painters have come round again to the human figure as the central, creative preoccupation. As the subject matter is now more acceptable, so his peculiar and tormented re-invention and reconstitution of the figure no longer shocks. Ends Aug 18.

WEST GERMANY

Munich, Staatsgalerie moderner Kunst, Prinzregentenstr. 1: German Art since 1960, 200 paintings, prints and drawings by 13 artists from the private collection of the German Prince Franz of Bavaria. Among them: Beuys, Richter and Kiefer. Ends Sept 15.

Berlin, Nationalgalerie, Potsdamer Straße 50: New acquisitions '75-'85, offer 500 works from between 1820 to 1985. Some 300 important artists participate. Ends Aug 25.

ITALY

Florence: Museo Archeologico (Piazza SS. Annunziata) – The Etruscan Civilization: This is the first of a long series of exhibitions to mark The Year of the Etruscans, and shows the results of the most recent research into the Etruscan world. A useful history of this civilization's birth, development and decline. Ends Oct 20.

Rome, Palazzo Venezia: Five Centuries of Music Publishing in Europe organized to mark European music year, and the fourth centenary of the founding of the Academy of Saint Cecilia, whose library has provided the bulk of the fascinating material. The time span and the number of manuscripts (and paintings) is enormous (roughly one room per century), but a useful shortened route has been provided through a series of attractive arched pavillions, containing the cream of the music publications of each period. Ends July 31.

BRUSSELS

Opera costumes from 1959 to the pres*ent including Zeffirelli's Rigoletto*, Bosquet's Traviata and Karl Ernst Herreman's Clemency of Titus. Musée de Costumes et Dentelle. Until November.

Tony Cragg – a major exhibition of one of Britain's contemporary sculptors. Palais des Beaux Arts. Ends July 28.

PARIS

Renoir: An important exhibition of the most sensuous of the impressionist painters, who never tired of glorifying the nude feminine body capturing the light, comes to Paris from the Hayward Gallery, London. It consists of some 125 paintings and 50 Drawings, including Le Bal du Moulin de la Galette and La Danse à Bougival, Grand Palais, Closed Tue. Ends Sept 2 (261 5410)

NEW YORK

Metropolitan Museum: 30 objects from the period between the 1851 Crystal Palace Exhibition to the 1900 World Fair in Paris demonstrate the show's theme of Revivals and Explorations in European decorative arts. Ends Sept 5.

WASHINGTON

National Gallery. Ancient Art of the American Woodland Indians includes 151 pieces covering 5,000 years of sculpture, ceramics, copper and shell objects of the native Americans who lived in what is now the eastern half of the U.S. Ends Aug 4.

National Gallery (West Bldg): 36 old master paintings from the Dulwich Picture Gallery are exhibited under the title Collection for a King, including works by Rembrandt, Van Dyck, Canaletto and Gainsborough. Ends Sept 2.

CHICAGO

Art Institute: Though Edouard Manet *made etchings* primarily to reproduce and publicize his paintings, he developed a unique style as shown in the 27 etchings in this special exhibit of more than a third of his total output of 75 etchings. Ends Sept 2.

TOKYO

Qing Dynasty Treasures from the Forbidden City, Peking. An important exhibition of 273 pieces showing the opulence and craftsmanship of the Qing Dynasty (1644-1912). Costumes, ornaments, ceramics, paintings plus *imperial banquet* room-setting, all magnificently displayed in Tokyo's best department store art museum. Seibu Department Store, Ikebukuro Branch. Ends Aug 26, closed Thursdays.

Saleroom/Antony Thorncroft

Golfing memorabilia

Bel Aire Golf Club in California was a busy buyer at Sotheby's largest ever auction of golfing memorabilia yesterday.

It paid £3,850 for a long-nosed putter, made around 1835 at St Andrews by H. Philp, the most revered *maker of golf clubs;* £3,520 for a long-nosed long spoon club of 1820, also by Philp, and £2,310 for a similar by the same. It also invested £1,760 in a ball, a feathery golf ball of 1840 by Gourlay, the big name *among ball makers*.

The auction totalled £171,099 with 14.5 per cent unsold. The two top lots failed to find buyers —a 1717 copy of "Nouvelles regles pour le jeu de mail," the pioneer game of golf, being bought in at £2,900, and a watercolour by William Nicholson of golf, reproduced in Kipling's "Almanac of twelve sports" 1897, was unsold at £3,600.

The highest price paid was *£4,620, way above the £900 top* estimate, for a view of the "Royal and Ancient Club House at St Andrews" in 1879, painted by Thomas Hodge.

Another water-colour by Hodge of Old Tom, Tom Morris, probably the greatest of St Andrews' golfing figures, went for £3,960, double its top estimate. "St Andrews under snow," another Hodge water-colour, did well at £3,850.

FINANCIAL TIMES

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Thursday July 25 1985

End of a bad term

IT IS beginning to look like carelessness or, as some would say, the arrogance of power. In the early hours of Wednesday morning Mrs Thatcher's administration came very close to defeat in the House of Commons on the subject of top people's salaries: indeed, almost certainly would have been defeated if the Labour Party vote had turned out at full strength. Labour played very little part in the debate, except as spectators. It was the disaffection within the Tory ranks that mattered. It is almost as if the Conservative Party, with its huge majority since the General Election of 1983, has visibly lost its way and no longer knows collectively what it is doing.

There may be some excuses, though not many. The question of top people's pay in the public sector is always a difficult one for any administration. This Government may even have done rather better than most by broadly accepting the increases recommended by Lord Plowden's Review Body and seeking to push them through regardless. After all, the Conservatives were originally elected to take bold and radical decisions.

Yet the Government has somehow become tarnished with time, seemingly reluctant to learn from the mistakes of its predecessors. Precisely because top people's pay is such a sensitive issue, it is necessary to present decisions with tact and reasoned argument. It is almost inexcusable to drip them out in a written parliamentary answer, as happened last week. It was just as careless of the Prime Minister not to mention them to the 1922 Committee of Tory back-benchers which she addressed last Thursday. For this time it should have been clear that it was the potential Tory rebels that counted: the MPs who have to explain the Government's approach to the teachers' dispute or the apparent cuts in the health service to their constituents. The Government was deservedly given a fright by its own supporters.

Morale

It may not matter too much in that Parliament is due to rise on Friday for the summer recess. By the autumn there will be other subjects to talk about. And yet it is not as if the handling of top people's salaries was a one-off tactical mistake. The record of this Government mismanaging relatively small decisions is becoming rather long. The effect on its reputation is cumulative.

Another criticism, raised by Mr Peter Shore in the salaries debate, is the way the Government tries to buy off its potential critics with money. It did that when it sought to end trade unionism among the intelligence staff at Cheltenham, which was when many of its present troubles began. It has done it again to the Civil Service: morale is low, partly because the Government has been none too appreciative of civil servants in general, so the solution is to raise the pay at the top. It should not be surprising if that leads to public cynicism.

All that is a far cry from Mrs Thatcher's original aims. The Conservative Party manifesto of 1979 is worth re-reading. It set out to control inflation, public expenditure and public borrowing, and to change the balance of power between unions and management and between individual union members and union leaders. Much of that has been achieved, perhaps especially the change in the power of the unions. Even a future Labour administration might be grateful.

Roots

In the last two years, however, those clear and admirable aims seem to have been lost sight of. The Government no longer appears to have an obvious and catchy tune. It claims to be radical, yet gives way to presusre groups: for example, on student loans, on mortgage interest rate relief, on rent control. It may now be even abandoning its resolution on the control of public spending. Indeed, the latest boast is how much has been spent rather than how much has been pruned.

It is very doubtful how far the Government will benefit from this. It may get the worst of both worlds: proclaiming to be radical while seeming to trim. The message has ceased to be clear. Yet that original manifesto had it all: Britain was in relative economic decline. It would do better from the application of market economics. If the Conservative Party needs holiday reading, it should go back to those roots. The fact that it takes longer than expected to turn the economy round is not an excuse for turning back.

Economic reform in Africa

THE ORGANISATION of African Unity's (OAU) twenty-first summit which ended last weekend provided a refreshing change from the political squabbling and rhetorical flourishes which have marked most of the earlier gatherings. The African leaders, under the direction of Tanzania's President Julius Nyerere, concentrated instead on measures to put the continent's economic house in order, looking beyond the need for short-term famine relief to far-reaching structural changes with agricultural reforms at their heart. But the members also made a plea for greater Western support, whether in the form of direct aid or more generous terms for rescheduling of a crippling external debt, which deserves a sympathetic response.

If what was termed the Addis Ababa declaration was simply a statement of intent, and there was no evidence that African governments were already correcting the policies which for the most part have served them badly since independence, there would be grounds for scepticism about the merits of additional aid. Yet under the prompting of the World Bank and other major donors, and with the evidence of mismanagement before their eyes, more and more governments on the continent have made progress down the path of reform.

The measures include overhauling agriculture—governments in Addis Ababa were urged to double their budgetary allocation to the sector over the next five years to 25 per cent—directing more resources to small scale farmers, and either trimming inefficient state-owned enterprises or returning them to the private sector. Countries as diverse as Ghana and Zaire are taking the medicine administered by the International Monetary Fund (IMF) and cutting budget deficits, reducing food and other subsidiaries and adjusting their over-valued currencies.

At the same time donors themselves are acknowledging some of the mistakes of the past, such as their support of grandiose industrial projects which often served, through tied aid, the donors' commercial interests rather than the recipient country's most pressing needs. Those needs, both parties increasingly accept, include not only a greater concentration on peasant agriculture, but the maintenance of existing facilities rather than the creation of new schemes.

The scale of the rehabilitation task ahead, however, is formidable. The World Bank expects a decline in net capital flows to sub-Saharan Africa from an annual average of \$10.8bn in 1980-82 to \$5bn in 1985-87. At the same time Africa has all but exhausted its capacity to borrow its way out of trouble. As debt servicing has mounted from some \$4.1bn in 1981 to a forecast average of \$11.6bn from 1985 to 1987, so an increasing number of countries have been forced into rescheduling. The outcome provides limited relief. Zaire, once a by-word for financial irresponsibility, has for the past two-and-a-half-years followed almost to the letter the IMF prescription but in 1984 paid out over \$190m more to medium- and long-term creditors than it received in new funds. As one major donor concluded, it is "obviously a situation incompatible with recovery or development."

Deterioration

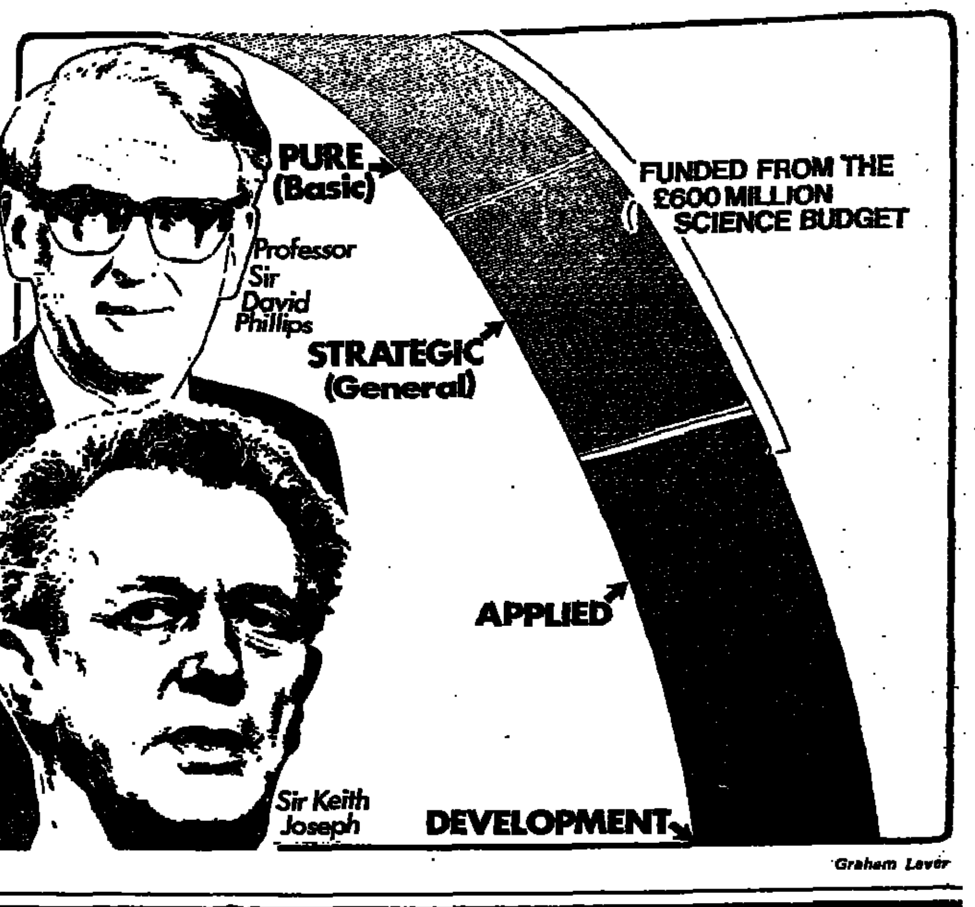
In spite of efforts by some donors to raise their commitments to Africa — notably the World Bank's \$1.2bn special fund — the resources available fall well short of the needs of a continent whose infrastructure has deteriorated, plant and machinery run down, and whose exports have lost over 20 per cent of their purchasing power between 1973 and 1981. The scarcity of new resources, though specially acute in Africa, is faced by the developing world in general. Preliminary OECD estimates for 1984 suggest that total net financial flows to developing countries from all sources declined in 1984 by some \$10bn to approximately \$95bn.

The danger in Africa is that the good work which is underway will come to naught if Western commitments fall off. The need for dialogue between donors and African government remains, along with close monitoring of the aid programme. So far the stick has been used with considerable effect. Now is the time to increase the size of the carrot.

UK scientific research

An urgent new need to get value for money

By David Fishlock
Science Editor



Graham Lever

ONE OF Britain's research councils, currently driven by cuts in government spending to seek alternative sources of cash, tells of the famous British company which offered to sell it a bank of valuable scientific data on waves for £100,000. The research council said it couldn't afford that sort of money.

Then another part of the same company asked the same research council for help. The scientists had the data it wanted but the company baulked at the fee—a mere £100.

Industry's schizophrenic attitude to the value of scientific research—as illustrated by this story—is a major worry for top scientists who for the first time in their careers are finding they must hustle for money. Their once bountiful sponsor—the taxpayer—which used to increase budgets automatically each year, is now taking a much more hard-headed approach to this area of spending.

The question of spending on UK science—is it too much or too little, and is it managed effectively—is also becoming an increasingly lively political issue as reflected by yesterday's Report of the Education, Science and Arts Committee of the House of Commons. This recommends that the Government should relieve the immediate financial crisis faced by the science establishment but it says nothing on the key question of whether budgets are being managed.

The backbone of British science is the science budget, voted by Parliament, and spent mainly by five research councils representing broad swathes of scientific discipline in the universities and polytechnics. Its focus is the "pure" and "strategic" bands of the research spectrum, as the sketch shows.

An Advisory Board for the Research Councils (ABRC) advises Sir Keith Joseph, Secretary for Education and Science, on the size of the budget and how it is to be shared between the five councils. In addition, they have a small income—about 5 per cent—from research contracts placed by industry, Government and charities.

Professor Sir David Phillips, chairman of the ABRC and effectively Sir Keith's chief scientific adviser, argues that although the science budget appears to have been growing since 1981, it has in fact been falling. This is because more and more cash has been needed for overheads such as superannuation; and for higher subscriptions to international science projects such as Cern, the particle physics research centre in Geneva, due to the fall in the value of the pound.

Sir David says the science budget is buying at least 5 per cent less research for Britain than in 1981, and he expects it to fall at least another 4 per cent by 1990—a 10 per cent drop over the decade. Sir John Kingman, the mathematician who heads the biggest of the five, the Science and Engineering Research Council (Serc), sees the councils as "guardians of the future prosperity of the country," but says Britain is slipping into the second division of international science.

Both scientists firmly believe that the Government must find more money for the research councils.

The case for more cash for UK science rests on three points, according to Sir David Phillips:

- While scientists themselves must become more proficient in picking priorities—seek better value-for-money—it is unrealistic to try to restrict science to too narrow a base.
- The growth points of science and technology typically attract some of the best minds. If not funded, this will seek satisfaction overseas, as is already happening.
- Britain's major industrial competitors are currently increasing investment in science, particularly in strategic research areas, of importance to industry.

To these ends, the science chiefs are asking for another £85m spread over three years —an extra £15m on the present budget of about £600m rising to £30m, then £40m more.

The Government's attitude as represented by Sir Keith Joseph, has tended to be that it was not prepared to make a special case of science. Scientists, he says, should look more closely at how efficiently they are spending money, and their commitment to time-honoured but perhaps flagging sectors of science.

Traditionally, academic science has been largely self-policing. It has backed what it judged to be the brightest ideas for advancing science, selected by the "peer review" system of self-scrutiny by panels of experts drawn from both within and outside the subject in question.

Its attitude can be summed up by the story of the British Nobel prize winner who, whenever called upon to account for his activities, simply replied: "I am thinking." One big question is how many people Britain can afford to pay just to think, and how should they be chosen.

The parliamentary select committee which has been examining the case for more cash and the science chiefs' worries have found both well justified. The report* advises the Government to shoulder some of the costs which lie beyond the control of the research councils, such as the extra costs of superannuation, of restructuring the 20-year-old research councils, and of sudden increases in subscriptions to international research programmes occasioned by currency fluctuations.

The MPs also recognise the validity of arguments about the rapidly rising cost of the latest scientific tools—the so-called "sophistication factor" — of which the Defence Ministry is also painfully aware. It wants the Government to find more money simply to keep the tools of British science brightly honed.

The MPs venture no comment on the efficiency with which science is policing its own activities, beyond saying they believe in general that "decisions on specific priorities should be left to those most qualified to judge their worth and relative priority within the resources available: the research councils and the ABRC".

They add a warning to government, however, that if the science budget continues at present levels, other major areas of research "will inevitably be scrutinised in as rigorous a manner" as was done by Sir John Kendrew's critique of particle physics last month, which recommended severe cuts from 1990.

The implication of the report for the Government is that the science chiefs should receive enough extra cash to relieve the immediate financial crisis they face, but not so much as to remove the incentive to scrutinise how they spend it, or for seeking new sponsors other than the taxpayer. The two are, of course, inter-related—more efficient research management should attract more sponsors of research.

How to measure the utility and productivity of scientific research—"value for money"—has been a challenge ever since science became big business, demanding expensive tools such as atom-smashers, satellites and computers.

In times of expanding research budgets most scientists, when challenged to say of what use a piece of basic research might prove to be, are apt to take refuge in Benjamin Franklin's famous rejoiner: "Of what use is a baby?"

Academics, of course, have their own scale of intellectual values for different sciences. Pure mathematics and theoretical physics head the pecking order. Geology and botany come a long way down.

But the low-ranking disciplines, once largely descriptive, can make a major contribution to the economy. The search for oil, gas and mineral wealth has made geology a much more disciplined science, and the requirements for burying nuclear waste will take it another step forward. In consequence, such sciences have also become very expensive to conduct, as they accepted the value of such tools as computers, remote sensors and modern analytical techniques.

Almost every science now needs the electron microscope. In 1965 the best electron microscope cost about £12,000. Today the best costs between £250,000 and £1.5m — a good example of the "sophitication factor" at work.

One research team, however, refuses to accept the "Franklin rejoinder" is a pair of social scientists at Sussex University who, with all the brashness and naivity of youth, have been challenging some past research council investments in big tools such as telescopes and atom-smashers.

John Irvine and Ben Martin of the Science Policy Research Unit have infuriated the scientific establishment with their outspoken criticisms, based on their own system of analysing the output of research tools and teams by the number of times *other* researchers cited their findings. Their work drew top-level criticism that it was not rigorous by the standards of the very scientists it sought to assess. It was accused of being poorly supervised research, over-promoted by the pair in their own quest for more research funds.

But whatever its weaknesses, it was certainly timely and attracted widespread attention, not least from the research council managers themselves. Some placed research contracts for further evaluations of output and productivity.

Scientists also need better ways of measuring what is going on. Of the best ideas they can still afford to back, how can they be sure they are backing the ones in the best long-term interest of British science and the advanced technologies which depend crucially upon it—information technology, bio-technology, pharmaceuticals, for instance?

In fact, the individual research councils are approaching the matter of management in their own ways. The two which expect budgets to be most severely cut — the Agricultural and Food Research Council (AFRC) and the Natural Environment Research Council (NERC)—have already produced businesslike corporate plans for the next five years, showing how they propose to absorb the cuts.

SERC, the biggest, which takes half the science budget, but will suffer only a slight trimming next year, is also preparing a corporate plan for release this autumn. Its problem is that it believes it has a strong case for expansion in such economically important sectors as engineering, science and biotechnology, but can see no way of raising the cash short of abandoning entirely some expensive activity such as atom-smashing or astronomy or space science.

NERC, on the other hand, is proposing what to some of its scientists are ominously commercial changes. Under its corporate plan for the next five years it will re-organise its activities into three broad sectors: earth science, marine science, and terrestrial and freshwater science. Each will have a scientific director charged with picking priority topics and setting objectives

High in their minds will be concepts "which haven't been in fashion," says Mr Hugh Fish, NERC's chairman — such as value-for-money. Moreover, if something is not making progress he expects them to stop it.

Mr Fish has given his top staff to the end of the year to find ways of judging value-for-money criteria for assessing output and productivity.

All the research councils have been strongly urged by Sir David Phillips and the ABRS to face the question of value-for-money. The ABRC itself has commissioned an appraisal of three different methods of citation analysis — the Sussex one and others used in the U.S. and France — by the ESRC.

Even the Royal Society, bastion of all that is purest in science, has found itself forced to take the question of productivity very seriously in its own study of the health of British science.

* The future of the science budget, House of Commons Paper 46-I. SO £3.90.

RESEARCH COUNCIL BUDGETS 1985-86*

	£m
Science and Engineering Research Council	298.0
Medical Research Council	122.3
Natural Environment Research Council	67.3
Agricultural and Food Research Council	50.3
Economic and Social Research Council	23.6
Other beneficiaries	22.4
	583.9

* Contribution from the Science Budget.

IBA seeks ban on Profumo film

Fresh from its intervention in the Dallas affair, the Independent Broadcasting Authority seems about to get embroiled in another controversy.

Lord Thomson, IBA chairman, and John Whitney, director general, have been trying to stop Zenith, the film production subsidiary of Central Television, making a film about the Profumo affair.

The film, High Places, is part of a programme of five films, costing about £15m, announced by Zenith in May at the Cannes Film Festival.

Thomson, who was Labour MP for Dundee East from 1952-1972, told a meeting of the IBA programme policy committee, attended by all the ITV managing directors, that the Authority would not be pleased if the film were made.

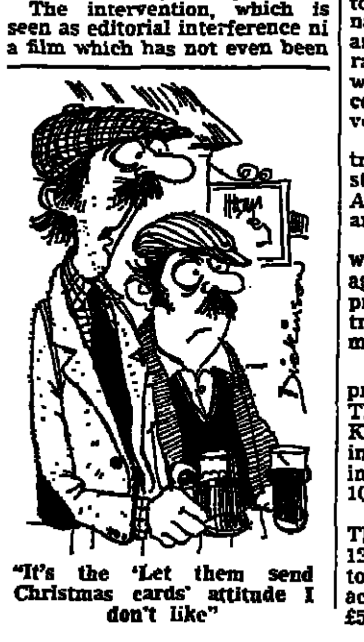
This line has been pursued since in discussions between Whitney and Bob Phillis, managing director of Central, the ITV contractors for the Midlands. Whitney is understood to have pressed for a ban on this "unsavoury" subject.

The intervention, which is seen as editorial interference ni a film which has not even been cast yet and is aimed primarily at the cinema market, has angered senior ITV executives.

The IBA said yesterday it was a matter of good taste rather than editorial interference. The film, it said, might eventually be offered to the ITV network.

Central is, however, going ahead with the film. Scripted by Laurence Marks and Morris Gran, it will look at the Profumo affair through the eyes of Stephen Ward, the osteopath at the centre of the scandal, who was brought to trial at the Old Bailey and committed suicide.

Its underlying theme will be the strength of the old boy network and the political pressure it can exert.


"It's the 'Let them send Christmas cards' attitude I don't like"

Men and Matters

Wet ambitions

Thames Water, nowadays a lively concern with ambitions to be privatised, and the international accountants Coopers and Lybrand, hope soon to be raising glasses (unlikely they will contain water) to the success of their first joint overseas venture.

They are bidding for a contract to review the water sector strategy for a developing African nation in one of the arid areas of the continent.

Both bodies see a booming world business in water management. They have agreed in principle that the African contract should be the first of many joint ventures.

Coopers has an office in the prospective client country. Thames, says managing director Ken West, is thinking of building up its team of experts for international work to between 100 and 150.

Roy Watts, chairman of Thames Water, believes his 12m customers will have much to be thankful for if Thames achieves its target of winning £50m worth of overseas water business within the next three years.

That would represent £5m profit. Watts says "With that money I could take 1 per cent off every water bill—and that is what I want to do."

City suits

The Takeover Panel, in its annual report last month, complained that, as a result of the growing competition between merchant banks advising on takeover bids, the panel was being bombarded with objections, complaints, and stalling devices over "minutiae."

The sparks flying from the bid by the Burton Group for Debenhams have now pushed this development one stage further.

David Cohen, the corporate tax partner of City solicitors Nicholson, Graham and Jones, recently published a technical article on the taxation of shareholders' perks.

After a detailed explanation of one principle he gave this example, "Suppose, for example, that a Burton Group shareholder uses his 20 per cent discount (a perk) to buy for £80 a suit which Burtons is selling for £100. He could have bought the same suit at Debenhams for £95. His deemed benefit is only £15 — not £20."

The reference was spotted by Russell Edey, a director of merchant bank N. M. Rothschild, who is leading the Debenhams defence.

He tracked down Cohen and asked whether he was acting for any of the parties involved in the takeover battle. Told "unfortunately no," he asked whether any of Cohen's family were in that position. Again "no."

Edey then warned Cohen that his article breached the Takeover Code. He said a Debenhams' shareholder reading the article would think Burton offered a discount to shareholders but that Debenhams did not. The shareholder might therefore be wrongly induced to exchange his shares for Burton shares.

Edey has yet to take the matter any further.

But, for the record, the price-sensitive consumer should not deduce from the example above that a Debenhams suit will always be 5 per cent cheaper than the same suit sold by Burtons.

Parlour politics

A political tradition seems to be developing in the parlour of merchant bankers Lazards.

Former Minister Sir John Nott returned to merchant banking two years ago as a Lazards director (in the 1960s he was with Warburgs), and he recently became Lazards chairman.

Now Andrew Mitchell, aged 29, a former president of the Cambridge Union who specialises in export finance at the bank, has been selected for a prime Tory seat.

He is the prospective Conservative candidate for Gedling, Notts, where the sitting member Sir Philip Holland enjoyed a majority just short of 15,000 at the last general election. Holland is retiring at the end of this Parliament.

Mitchell cut his political teeth fighting Sunderland South in a by-election last year and, although the loser, found some satisfaction in seeing the Labour majority cut by nearly 50 per cent.

Of the male members of the Mitchell family he is the only one not working in the family wine business (which includes the El Vino wine bars). "The truth is I have the worst palate in the family," he tells me.

Oh yes they can

From a report ". . . it is a fact that a great many people who are compulsive shop-lifters are comfortably off. They cannot help themselves."

Observer

ECONOMIC VIEWPOINT

Responses to U.S. budget cuts

By Samuel Brittan

PAUL VOLCKER'S testimony to Congress could be summarised as: "Enough is enough."

The U.S. monetary guidelines were more than breached — they were hurled aside in the first half of 1985; and short-term dollar interest rates fell by 3 to 4 percentage points from last autumn onwards.

Partly as a result, although the dollar remains extremely high on any reasonable basis, its effective exchange rate has falled by 10 per cent from its February high point; and it has fallen by 10 per cent from its tively strong currencies such as the Deutsche Mark.

What the Fed chairman effectively told Congress was that he had gone as far as he intended in reducing interest rates and easing down the dollar, until there is some parallel action by Congress to reduce the U.S. Budget deficit.

There is to be no attempt to reverse the recent monetary overshoot. But from now on monetary growth is meant to slow down drastically, and there will be no further attempts to ease interest rates downwards at the expense of monetary objectives.

This new and much stricter course is, of course, based on the Fed's view that real GNP growth will recover to an annualised rate of 4 per cent or more in the second half of 1985.

Should the growth forecasts prove much too optimistic, and recession threaten, the Fed on past form would move towards monetary ease again. But until either a clear and present danger emerges on this front, or Congress moves on the deficit, when the Fed will stick to a tight monetary course. Indeed, real growth of the extent forecast, or further sharp falls in the dollar, could easily lead to a rebound towards higher interest rates.

Underlying the decisions of Paul Volcker and a majority of his colleagues is the view that America's amazing good fortune with inflation could withstand the recent 10 per cent fall in the dollar, but could not withstand another early fall of that magnitude, unless there is some action on the fiscal front.

Meanwhile, Rudolph Penner, Director of the Congressional Budget Office, gave the House Banking Committee eloquent and convincing testimony on July 18 on the interaction between the U.S. Budget and current account deficits.

My best guess is that there is now sufficient alarm to prevent the Budget Office's worst fears of the Federal deficit rising to $300bn per annum by 1990. On the other hand, it is likely to get stuck at somewhere around its present $200bn level, which will—with luck—allow it to fall very gradually as a proportion of GNP.

Whether this counts as a "cut" or not depends on what you had previously been expecting to happen. As with British public spending, cuts are largely in the mind.

A reduction in the U.S. Budget deficit is nevertheless enough of a talking point to be worth investigating. The June OECD Economic Outlook had an unusually detailed analysis of the likely consequences.

● A sustained reduction of the U.S. budget deficit, achieved through fiscal contraction, would of itself reduce U.S. GNP in the short to medium term;

● It would, for a time, exert some downward pressure on the OECD price level;

● With given U.S. money growth, induced lower U.S. interest rates would tend to lower the dollar;

● Activity in the rest of the OECD would thereby be weakened both by lower U.S. activity and by a reduction in net exports resulting from increased U.S. international competitiveness consequent upon the lower dollar;

● Endogenous reductions in interest rates outside the U.S., with money growth and fiscal policies unchanged, would be insufficient to offset the effects, noted under (4) above, on non-U.S. activity;

● The U.S. current account deficit would clearly improve, but on most assumptions would remain substantial for some years.

The most controversial of these conclusions are the fifth and *perhaps the first. If higher* exchange rates against the dollar drag domestic prices downwards, and velocity is on an unchanged trend, then unchanged monetary targets ought to mean more real growth in Europe and Japan. But recent experience with velocity changes (irrespective of whether or not these changes can be explained *ex post)* do not encourage one to bat against the OECD on the issue.

It is more interesting to look at the policy assumptions on which the OECD conclusions were based. The policy combinations shown in the table provide a method of investigating the consequences of changes in the U.S. budget (and of other hypothetical changes) of value whether one believes the detailed estimates or not.

If there were ever to be some attempt at international economic management, grids such as the one in the table will need to be taken very seriously.

The estimates are derived from OECD's own Interlink model and the multi-country model of the Fed's. The Japanese EPA model, also consulted by OECD, shows broadly *similar results. The simulations* are for a cut in the U.S. deficit of 2 per cent of GNP approximately $80bn, and the effects are shown after four years have elapsed to allow time for them to work through properly.

There is an obvious middle way for Europe and Japan

If there is a cut in the U.S. Budget deficit and nothing else, these models show a substantial fall in short-term U.S. interest rates, a fall in the dollar and a reduction in the current U.S. payments deficit. But none of these effects is sufficient to prevent a lowering of U.S. real GDP (and thus of the growth rate) and spillover effects on to other countries, who would suffer less inflation, but also enjoy less growth.

If on the other hand, other countries responded by matching U.S. interest rate cuts, even at the expense of faster monetary growth, then the GNP lag would be transformed into a modest gain, and inflation might still fall slightly even outside the U.S.

Neither of these cases is likely. For it is inconceivable that the U.S. authorities would allow a prolonged growth recession as a consequence of Congressional virtue in cutting the Budget deficit. A much more likely assumption is that shown in the third column, where the Fed cuts interest rates enough to offset lower Federal spending or greater tax payments, to offset any consequential adverse effect on U.S. growth.

In this third case the dollar, *and the U.S. current account* deficit both decline. But there are snags for other countries. Their interest rates and inflation rates drop, but so too *do their growth rates.*

In one of the models (the Fed's) they do so very seriously and in greater measure than in the first column, where no U.S. monetary relaxation is assumed. The clue to this seeming paradox is that the Fed relaxation is assumed to lead to a larger fall in the dollar, which deals a blow to European and Japanese competitiveness in world markets.

The crude alternative for countries outside the U.S. is to allow their interest rates to fall with U.S. rates as shown in the fourth and final column. This gives such a stimulus to world-wide activity that the U.S. *current deficit still shrinks,* even though the dollar does not fall.

The possible danger of this course is shown in the final entry of the fourth column, *namely a higher inflation rate* outside the U.S. True the effect appears modest, but long experience of such models should tell their users not to be reassured by *effects which seem small,* if their direction is wrong.

The obvious middle way for the Europeans and the Japanese is to steer between the policies *of the third and fourth columns;* in other words, not to stick religiously to monetary targets, but not just to copy U.S. interest rate movements either. If countries outside the U.S. were following a policy of stabilising Nominal GDP, they could respond to the fall in inflation shown in the third column by some stimulus to output, which does not go as far as the inflationary boost of the final column.

This still leaves the question of whether such a stimulus should be fiscal or monetary. If you believe that even a large fall in the dollar, of the kind shown in the third column, would not have any inflationary effects in the U.S., provided only there is a major cut in the Budget deficit, then the Europeans have a wide choice.

If, on the other hand, the fall in the dollar either is inflationary, or is perceived in the U.S. to be so, then good *neighbourliness and political* prudence (as well as concern for their export industries) would narrow the European choice, in favour of the lower *interest rate option.*

You do not have to be in favour of "locomotives," "convoys," incomes policies, or inflationary demand management to see the benefits of modifying one country's policies in line with another's behaviour and the common benefits of playing a co-operative game.

FOURTH YEAR EFFECT OF CUT IN U.S. BUDGET DEFICIT OF 2 PER CENT GNP

CHANGES MEASURED IN PERCENTAGES OF GNP

	(a) Unchanged monetary targets in U.S. and elsewhere	(b) Unchanged U.S. targets. Other countries match U.S. interest rate changes	(c) U.S. monetary relaxation. Targets held elsewhere	(d) U.S. monetary relaxation. Others match changes in U.S. interest rates
U.S.				
Real GNP	−0.7 to −1.8	−0.9 to −1.5	0	0 to 0.8
Short term interest rates (p.c. points)	−2.1 to −2.4	−2.6 to −2.7	−0.5 to −5.8	−0.7 to −7.3
Effective exchange rate	−0.8 to −5.0	1.3 to 1.5	−0.9 to −18.0	0.4 to 1.1
Current balance ($bn)	16 to 48	17 to 51	13 to 66	10 to 67
Price level	−0.2 to −1.6	−0.9 to −1.8	−0.2 to 1.7	−0.4 to −0.3
OTHER MAJOR OECD COUNTRIES				
Real GNP	−0.5 to −1.3	0.2 to 0.7	−0.4 to −2.9	0.8 to 2.3
Short term interest rates (p.c. points)	−0.9 to −1.2	−2.6 to −2.7	−1.0 to −3.0	−0.7 to −7.3
Domestic prices	−1.1 to −1.6	0.3 to −0.5	−0.8 to −4.5	0.6 to 1.2

Based on Fed and OECD [illegible] models.

Lombard

Wealth creation and top pay

By Anatole Kaletsky

YESTERDAY'S parliamentary rebellion on public sector pay was an event of rare poetic justice. The Government has become a victim of its own successes;

In an economy with truly competitive labour markets comparability would prevail automatically. When labour *becomes a commodity, like sand* or cement, the price of a janitor a computer programmer an MBA does not depend on the nature, or profitability, of the employer's business. A local authority would not expect to pay less than an oil company for a bag of cement on the grounds that it had less money.

Thus, in terms of Mrs Thatcher's economic model, Lord Plowden's methodology was entirely appropriate. Only his conclusion should have been turned on its head. Instead of agreeing huge pay increases for top public servants, the Government should have responded much as it would if a similar study showed that local authority manual workers were being paid less than labourers in the private sector: by calling for drastic pay cuts in the private sector, especially in the City.

At first sight such a call might seem completely incompatible with market economics. The Government condemns excessive wages paid to manual workers in the private sector because manual workers enforce their pay demands through militant trade unions which monopolise labour markets. Salaries in the City, on the other hand, are being bid up by what are clearly competitive market forces.

Yet there is something questionable about a market mechanism for graduate employees which sets rewards in inverse proportion to the apparent productive contributions made by various professions; starting at the bottom with teachers and university professors, who create the human capital on which all of the nation's prosperity is ultimately based, and rising through engineers, computer programmers, Fleet Street journalists, merchant bankers and lawyers, until finally, we reach the stockbrokers, Eurobond salesmen and foreign exchange dealers at the top.

The service industries generally have a simple answer to such complaints. Just because you cannot see the output of the service industries, does not mean that they are unproductive. But there is a *crucial distinction between* financial and other service industries. Not only is the output of the financial industry invisible; much of it is also *unproductive* in a stricter sense. Producing a haircut or a good television programme is obviously a wealth-creating activity. But trading in the secondary markets for stocks or currencies is mostly a zero-sum game — one man's profit is another man's loss. Secondary markets are only productive insofar as they contribute to the financial system's two essential economic functions: allocating capital to its most productive uses and enabling savers to minimise what would be the excessive risks of direct investment in productive assets.

One of the fascinating aspects of the present City pay explosion is that most of the benefits are going to the people whose work has the least direct connection with these two socially useful functions. The huge salaries are not being offered to humble clearing bankers or even pension fund managers who actually lend money to productive industries.

High interest rates and deflationary economic policies around the world have so distorted resource allocation that genuinely productive capital formation has become rather unattractive in relation to investment in risk-free government bonds—investors and dealers in such instruments are living off the wealth created by past generations without contributing anything to future capital. Simultaneously, liberalisation of capital markets around the world has greatly increased the level of financial uncertainty, enabling financial institutions in effect to charge higher insurance premiums for controlling the risks which the financial markets themselves create.

Measured against the financial system's genuinely "productive" functions of allocating capital and minimising risk, excessive salaries are no more justified by wealth creation in the City than they are in Whitehall.

Letters to the Editor

Liability for unsafe goods

From the Director-General, Confederation of British Industry

Sir,—The Consumers' Association (July 18) rejects both common sense and natural justice in its ill-considered attack on British industry over product liability.

It is a gross over-simplification to say that manufacturers oppose EEC legislation of a kind which retailers already bear, since the directive puts risks on manufacturers of a totally different order of magnitude from those facing retailers.

And it is disingenuous to say that the costs of product liability will be passed on to the consumer anyway. The evidence is that product liability insurance for industries in high-risk areas, such as pharmaceuticals and aerospace, is either limited or not available at all. If companies cannot insure against such risks, they will be reluctant to innovate, to everyone's loss.

In addition, where strict liability does exist, for example in the case of pharmaceuticals in West Germany, the law recognises that a limit must be set on the total amount of damages which can be paid out on claims. This is a clear recognition that there has to be some ceiling on the risk which either the company or insurance can bear.

Unpalatable though it may be, the fact is that in a major catastrophe there can be no guarantee—none, at least, under any system involving tort litigation—that all those suffering harm will be compensated. There is no way in which claims can be met once insurance cover and the company's assets have been exhausted.

Rachel Waterhouse offers a simplistic solution to complex issues. But it is only necessary to look at the analysis and detail in the Product Liability Bill currently under consideration in the U.S. to acknowledge that there are no easy answers in this area.

Industry wants to market safe goods but society demands new, more sophisticated and cheaper products. Surely what nobody wants is a system which inhibits industrial innovation and impedes competitiveness while leaving consumers no better off than they were before.

(Sir) Terence Beckett,
103, New Oxford Street, WC1.

Londoners are subsidised

From Mr E. A. Hunter

Sir, — For many years the Financial Times, economists and others have advised against blanket regional aid programmes and incentives — pointing out the distorting effect these have on people and the economy.

It occurs to me, following your report (July 15) that the London allowance is now £1,464 *a year (say 10 to 15 per cent* of gross modal salaries), that the London allowance is a blanket regional aid incentive. As such this allowance distorts *the economy by:*

● Encouraging people to remain in or near London;

● Mitigating against free staff movements;

● *Acting as a form of cross* subsidy from the "depressed northern consumers" to Londoners.

E. A. Hunter.
2 Beaufort Road,
Sale, Cheshire

Bank loans and the JMB affair

From Mr A. N. Watson

Sir,—I read with concern *your report (July 20), on the* Bank of England's proposals flowing from the failure of Johnson Matthey Bankers. A safeguard mentioned to avoid banks "having too many eggs in one basket" is for them to report to the Bank of England (not always known for its quick action!) any loan made to a borrower or related company which exceeds 10 per cent of the bank's capital, with an overriding limit of 25 per cent. However, there are questions which have to be answered.

How can the reporting of a loan commitment already entered into be effective in avoiding problems associated with financial failure of a borrower? *At best,* the need to report will be seen as a sanction. At worst, the course for disaster will have been set and the Bank of England will be seen as having given approval *for the infringement as it will* be unable to correct the situation. This is because publicity could raise doubts concerning the borrower's financial position *and bring about the event which* one is trying to avoid.

Could the solution be for banks to take into account only so much of a loan (or total *loan to related* borrowers) as does not exceed 10 per cent of the bank's capital in deciding the bank's financial solvency? This type of system applies to *insurance companies* which also have to ensure that they do not have excessive investment concentration.

If this was done, any loan requirement exceeding a bank's limit would need to be shared with another bank. That would spread the effect of possible failure to the ultimate benefit of both banking community and the investing public. Furthermore, the Bank of England could be left to consider the solvency and trading position of the banks on a more clear-cut and dispassionate basis.

A. N. Watson.
Appletree Cottage,
Lodge Lane,
Salfords,
near Redhill,
Surrey.

Language barrier to export sales

From the MEP for Hertfordshire (Con)

Sir,—How right Sir Philip de Zulueta is (Letters, July 22), in his view of the need for massive improvement in British businessmen's knowledge of foreign *languages, is indicated by a discussion* I had recently with a Flemish industrialist.

He told me, part in anger, part in sorrow and despair, of a British salesman who came to see him about a substantial purchase of components, with good prospects of a long-term market. "He couldn't even speak French," he said. "I didn't really expect him to speak Dutch, but I won't buy from any firm that sends me a salesman who can't speak one of my country's official languages."

The lack of knowledge by so many of our salesmen of the language and customs of the country they try to sell to may well be as important a reason as the antics of the £ sterling for the relative stagnation of our exports to our European Community partners in recent years: they have stuck at 44 per cent of our total exports, following a spectacular rise from 29 per cent in the earlier years of our membership.

That stagnation may well continue even if we bring the £ into the exchange-rate mechanism of the European Monetary System ("when the time is ripe"!), unless we also take steps to see that our businessmen (not only salesmen) can speak at least one of the main European Community languages.

Derek Prag.
The Euro-Centre,
The Common,
Hatfield, Herts.

Figures are facts

From Mr D. C. Damant

Sir,—It is Mr Cornford (July 16) who claims that the Efficient Market Theory debate is metaphysical. It is in fact empirical. The statistics for the performance of institutional portfolios are there for all to see.

David Damant,
Quilter Goodison,
31-45, Gresham Street, EC2.

The effects of a fall in the dollar

From CiSi-Wharton Econometric Forecasting Associates

Sir, — With reference to Samuel Brittan's article, "How to respond to a fall in the dollar" (July 18), you may be interested in the findings of a study carried out by Wharton Econometrics (Could Europe grow faster? May 1985). The Wharton study has the advantage of highlighting the impact on the developing countries, as well as the OECD area.

Using the Wharton World Model we examined the effects of a sudden fall in the dollar by 16.7 per cent below the base forecast in 1985 and by 29.4 per cent in 1986, before gradually returning to the base level by 1990. In the face of inflationary pressures and capital outflows U.S. monetary conditions tighten, with a consequent *increase in interest rates. Outside* the U.S., monetary conditions ease correspondingly as a result of lower inflation and capital inflows.

The results indicate that, in general, changes in net trade positions dominate changes in credit conditions. In the U.S., *GDP is 2.4* per cent higher than base in 1985 and 4.9 per cent in 1986, as the constraint on growth imposed by the trade deficit eases. Thanks to tighter *monetary conditions inflation is* hardly affected. The boost to GDP is rather greater than implied in the OECD study quoted by Samuel Brittan, and the inflationary effects much lower. In Europe, by contrast, GDP is 0.9 per cent below base in 1985 and 1.9 per cent lower in 1986. Japan also suffers from a deterioration of its competitive position.

Looking further ahead than the OECD, by 1990 differing *trends emerge.* In the U.S. output is not significantly different from the base forecast, faster growth in the earlier years compensating for lower growth in the later years. In Europe, loss of competitiveness marginally outweighs the beneficial effects of lower interest rates and inflation; in 1990, GDP is just below its baseline level. The long-run effect on Japan is similar, while Latin America is a marginal gainer.

Interestingly, the biggest losers of all turn out to be the developing countries of the Pacific Basin, which are highly dependent on exports of manufactures. By 1990 forgone GDP in this region amounts to 3.4 per cent of baseline output. This is a reminder that these countries are highly dependent on the continuing expansion of their export markets, particularly in the U.S.

Neil Blake and Charles Burton.
23, Lower Belgrave Street, SW1.

FINANCIAL TIMES
Thursday July 25 1985

NORTHERN IRELAND EXECUTIVE AIRCRAFT PROJECT MAY BE RESCUED

Lear Fan survival hopes rise

BY ANDREW FISHER IN LONDON AND PAUL TAYLOR IN NEW YORK

THE chances of finding a rescuer for Lear Fan, the Northern Ireland executive aircraft project that collapsed in May after receiving £57m ($79.6m) of public money, have been increased by moves to set up a new company with rights to the carbon-fibre aircraft's technology.

The scheme, the result of negotiations in New York last week involving Mr Michael Jordan of accountants Cork Gully, the UK Government-appointed receiver to the British arm of Lear Fan, and others with interests in the company, is aimed at lifting the threat of a maze of lawsuits over the technology rights.

It is understood that representatives of all the Lear Fan group's creditors agreed to drop lawsuits filed in the U.S. in return for a stake in the new company.

The dropping of the lawsuits and the settling of disputes over rights to Lear Fan technology – the project involves 62 separate technology agreements – and royalties from any future sales, are seen as crucial if the new company is to attract investors willing to proceed with the project.

A rescuer would be able simply to buy the new company, in which there will be a big British Government stake, through the Northern Ireland Development Board, rather than face a series of legal battles. "So there is hope," Mr Jordan said.

The new company will now embrace the Belfast assets, which, like those of the U.S. arm in Reno, Nevada, were mothballed when the project collapsed. The Belfast factory will remain in the hands of the receiver.

When Lear Fan Ltd, one of the seven or more companies comprising the Lear Fan group in the U.S., filed for Chapter Seven bankruptcy in Denver on June 3, in listed assets of just $7m and liabilities of $475m. Those included a $300m lawsuit filed by a group of California doctors who were among the original group of private partners assembled by Oppenheimer and Co, the Wall Street investment bank which is a subsidiary of Mercantile House in the UK, to provide initial venture capital for the project.

Under a Chapter Seven filing, a trustee is normally appointed and empowered to sell assets to satisfy creditors. Several other Lear Fan units have filed for protection from their creditors under Chapter 11 of the U.S. bankruptcy code, which allows a company to continue operating while it attempts to formulate a restructuring plan.

At the New York meeting were lawyers representing the receiver, Oppenheimer, other investors, Mrs Moya Lear (widow of Mr William Lear, designer of the Lear Fan aircraft), two Saudi princes who were big investors in the project, and the Chapter Seven trustee of Lear in the U.S. Their clients still have to agree to the scheme.

Mr John Aycoth, a spokesman for Mrs Lear, said she was "Quite pleased" with the plan.

If and when the new company is formed, the U.S. arm now subject to a Chapter Seven filing would switch to the more flexible Chapter 11.

Mr Jordan said several U.S. and other companies had shown preliminary interest in reviving the Lear project after the moves to set up the company and thus split out the liabilities from the assets.

"Now we can see the way ahead to try to get into some serious discussions on the future of the project," Mr Jordan said. But the overall market for executive aircraft was not good.

He admitted it would still not be easy to find someone to rescue the business and reckoned it would have to be done in six months before the project began to dissolve. All technical drawings had been preserved and the technology descriptions were on computer.

Brazil to speed up sale of state-held companies

By Andrew Whitley in Rio de Janeiro

THE BRAZILIAN Government is to speed up privatisation of a long list of productive companies in state hands, as part of its drive to reduce the role of the state in the economy.

Sr Antonio Frota Neto, a presidential spokesman, said yesterday a Bill would be sent to Congress before the end of the year giving the Government the means to implement an ambitious privatisation programme.

To avoid depressing the potential market, the list of those companies being sold off is being kept confidential at present. But the Planning Ministry is known to have drawn up its own list of 77 enterprises to be privatised, merged or closed down.

Sr Joao Sayad, the Planning Minister, said last week that important state enterprises such as Petrobras, the oil giant, Siderbras, the heavily indebted steel holding company, and Companhia Vale do Rio Doce, CVRD, the highly successful mining company, would not be affected.

Speculation over CVRD's future has been rife because of heavy share issues it has recently made on the local stock exchange, reducing the Government's control.

Reduction of the Government's presence in the economy, to free scarce resources for the administration's planned doubling of social spending next year, was a central theme of last Monday's nationwide television broadcast by President Jose Sarney.

In addition to putting new life into a privatisation programme, originally announced under the former Figueiredo Government, the new civilian Government intends to provide fresh, as yet unspecified, incentives to private industry.

It also plans to reduce waste in government spending by consolidating its annual budget estimates into a single, integrated Bill. That is scheduled to take place later this year when the 1986 budget is presented to Congress.

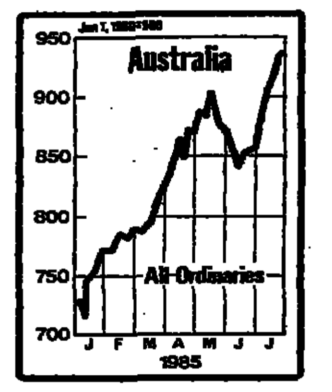
Four years ago, the former Government announced amid much fanfare its intention to privatise a total of 140 companies in state hands. The plan was almost a total flop, both because of the way it was handled and the fact that the economy was about to enter into deepest recession this century.

A handful of profitable companies were sold off, bringing in about $50m. But in March the new Government inherited a list of 47 companies the state would like to sell. Those include costly loss-makers such as Acesita, a special steels maker, and Caraiba Metais, Brazil's leading copper refinery.

THE LEX COLUMN

A glint of gold down under

The way Australian investors are pumping money into their own gold shares, one might think that South Africa's political system was about to collapse altogether. Just yesterday, the Australian gold index rose over 15 points – or 1.6 per cent – on the theory that the worse the political news is from Johannesburg, the more money will move to other markets.



In practice, Australian investors are still waiting for the flood of foreign interest in their gold stocks – and they may have to wait a while longer. Most London gold funds had taken all the money they wanted out of South Africa long before the current troubles. And the Americans, who are still heavily invested there, probably have too much to lose. Since their stakes are so large, any sizeable selling would seriously affect the price of the remainder of their shares.

If Australian gold shares do not shine, though, it will be because they are being eclipsed by the rest of the market. In the last six weeks, the All-Ordinaries Index has risen some 10 per cent. and since the beginning of the year, over 25 per cent. Not that the economic news is particularly good; if anything, investors should be worried by the threat of price and wage inflation caused by the devaluation of the Australian dollar. But the rash of corporate activity combined with an upsurge in foreign investment attracted by an apparently oversold currency have been enough to push the indices to record levels.

Since the beginning of the year, takeover activity has been so prolific – and intricate – that the rumours have hardly been able to keep pace with the facts. Not only have share prices risen as a result of actual or potential bids; the successful takeovers have also released more cash to be reinvested. And in a relatively illiquid market, the heavy demand from domestic and foreign investors can only be satisfied at what look like inflated prices.

This may all sound like a bubble waiting to be burst; and the surface tension will rise further as more air is blown in. A higher bid is expected in the Swan/Castlemaine beer battle, and possbily in the three-cornered retailing fight for Myer. If the market's current level is to be justified – excluding resource companies it is on an historic p/e of around 11 – investors will want to see solid double-figure growth in corporate earnings. BHP's results, out on Friday, could set the tone for the next few months, since it accounts for over 10 per cent of the index. A net profit figure of less than A$725m will surely disappoint.

Index-linked

Yesterday the Government Broker exhausted his remaining supply of Treasury 2½ per cent 2013, with the happy result that for once the index-linked sector of the market had no tap to worry about. The GB is unlikely to leave it unattended for long; only rarely in the past year has the index-linked market been untapped for more than a week at a stretch.

For the fund manager torn between the actuarial certainty of an index-linked investment and the knowledge that conventional stocks have almost consistently outperformed their inflation-resistant counterparts, the high level of index-linked funding has provided the perfect excuse for staying underweight. Trading equities and high-coupon long gilts is much more fun than locking away a 30-year index linked.

The Government Broker may not always have shown the greatest finesse in his handling of the index-linked market, but he cannot be accused of making excessive aggregate demands on the sector. Over the past year, almost 90 per cent of gross funding requirements have been met in the conventional market and the index-linked taps have been heavily concentrated in next century maturities.

A more plausible reason for preferring conventional stocks is that they offer a better exposure to the falls in both inflation and real interest rates which traditionally attend a rise in the pound and a decline in commodity prices. And it is no secret that the foreigners who have been buying gilts during the past month find the conventional market more attractive – and easier to understand – than index-linked.

Yet, for long-term value, the index-linked market is hard to beat. The short-dated stocks are currently discounting an average inflation rate of under four per cent for high taxpayers and, even for gross funds, the break-even inflation rate against conventionals is no more than seven per cent across the maturity spectrum. And that takes no account of the risk premium in the conventional market.

Dowty

If a perverse corporate strategist had set out to design a company that was guaranteed to suffer in this summer's equity market, the business mix would certainly have included electronics, and probably some engineering as well; to throw in exposure to defence contracts and the coal board would have seemed like caricature. In the circumstances, Dowty's share price has held up rather well; 4p higher at 170p yesterday, it is only 20 per cent off the top.

Dowty's year has not been without its problems. Although pre-tax profits for the year to March are up by a fifth at £44.2m, that figure reflects damage from frayed labour relations in the aerospace division, where profits were sharply lower in the second half as sales were maintained, but sourced from unusual and expensive places; at least the order book is strong and the current year's production should not be similarly disrupted. On the other hand, mining equipment sailed through the coal strike without anything like the problems suggested by Dobson Park or Anderson Strathclyde.

In aerospace, as in electronics, the group's own heavy spending on product development will continue to weigh on reported profits for some while, but with an ungeared balance sheet Dowty is not likely to be asking the market for cash. If it can make something near £55m this year, earnings per share could actually climb back to where they were in 1980; in which case a multiple of 10 is not asking an awful lot.

Stockholm refuses to rescue Consafe

By Kevin Done in Stockholm

THE SWEDISH Government has refused to take any immediate initiative to rescue Consafe, the financially troubled offshore services group which is facing an acute liquidity crisis.

Consafe, the world's leading operator of offshore accommodation and service platforms for the oil and gas industry, has been forced to begin negotiations with its main creditors after warning that it is facing losses of SKr 300-400m ($35.9m-$47.8m).

Through Swedyard, the state-owned shipbuilding group which has built most of the Consafe's fleet of semi-submersible platforms, the Swedish state has guaranteed around 80 per cent, or some SKr 2.3m, of Consafe's total long-term debt of around SKr 3bn.

The Government, in its first statement on the threatened Consafe collapse, said that it expected the company's shareholders "to take their responsibility."

Mr Roine Carlsson, the Swedish Industry Minister responsible for state-owned companies, said that Consafe's problems should be solved by its owners and the financial markets, but he did not rule out a role for the state through Swedyard, the state Ship Credit Guarantee Office or the National Debt Office.

An earlier round of rescue talks broke down last week when Swedyard withdrew from negotiations and said it was not prepared to make further concessions.

The Consafe board is to meet today to discuss a new restructuring plan drawn up by management, and the board is expected to present the plan to Mr Carlsson at a meeting in Stockholm tomorrow.

The company is losing around SKr 1.5m a day with a substantial part of its fleet laid up without contracts. If Consafe is allowed to collapse it would also ultimately be a death-blow for the Götaverken Arendal yard which has largely lived off Consafe orders in recent years.

Any rescue would be highly charged politically, however, just a few weeks before the general election on September 15.

The Social Democratic Government has taken a hard line against providing state support to help ailing companies stave off collapse.

Mr Christer Ericsson, managing director and founder of Consafe, who still controls around 56 per cent of the equity and more than 90 per cent of the votes in the company, has been a fierce critic of the Socialist Government earlier and in particular has fought the controversial system of trade union-controlled investment funds which was introduced last year.

Swedish capital inflow, Page 2

Increase in Hanson's Bowater stake seen as prelude to bid

BY MARTIN DICKSON IN LONDON

HANSON TRUST, the UK industrial holding company, disclosed yesterday that it had built up a 7.03 per cent stake in Bowater Industries, the paper group.

There was immediate market speculation that Hanson might be preparing a bid for Bowater, shares of which jumped sharply on the London Stock Exchange, closing up 37p on the day at 313p. Hanson shares closed up 1p at 188p.

Hanson is believed to have held a stake of around 4 per cent in Bowater for a considerable time, but share buying over the past week has carried it above the 5 per cent level at which it must disclose its interest.

Hanson said last night: "At the prices we have paid over a period for our shares we regard them as a worthwhile investment." It would not comment on its future intensions.

The market has long been expecting a big takeover bid from Hanson, which earlier this month completed a controversial £519m ($726m) rights issue – the largest ever by a UK company wholly in the private sector.

However, Lord Hanson, the group's chairman, said recently that his ideal target would be a broadly based U.S. group. The company said yesterday that the Bowater stake in no way altered that.

Bowater emerged from its big North American newsprint activities last year, leaving a UK company with 1984 pre-tax profits of £35.7m on turnover of £1.27bn. It makes packaging, tissue, paper and pulp, and has important builders' merchant and freight forwarding interests. At last night's closing price, it has a market capitalisation of £283m.

In 1973 Bowater, then larger, and the much smaller Hanson Trust reached agreement on a merger, but Bowater's bid was dropped after a reference to the Monopolies Commission.

Bowater said last night that Lord Hanson had telephoned Dr Ingram Lenton, the company's chairman, yesterday to notify him of the stake. There had been no other talks between the two sides.

Asked Bowater's likely attitude to a bid, the company said: "I am sure we would defend ourselves as vigorously as possible, but at this stage there is no sign of one."

Brussels may probe copier 'dumping'

By Quentin Peel in Brussels

THE EUROPEAN Commission is expected before the end of the month to order an investigation into the possible dumping of Japanese photocopiers on the European market, officials in Brussels confirmed yesterday.

A complaint has been made against Japanese suppliers by European photocopier manufacturers, who have progressively lost market share in recent years.

Discussions are currently taking place between the Commission and officials of the member state to decide whether there is prima facie evidence of dumping that would merit an investigation.

Japanese manufacturers are estimated to supply up to 80 per cent of the machines in the Community, a market in which prices have been reduced considerably. Only eight European suppliers remain in Britain, France, Germany, Italy and the Netherlands.

The complaint is understood to have been made by the Committee of European Copier Manufacturers, representing companies such as Italy's Olivetti and Britain's Rank Xerox.

Recent anti-dumping cases have involved Japanese suppliers of electronic typewriters and hydraulic excavators. The EEC member states have taken a particularly tough stance, insisting on imposing anti-dumping duties in the latter case, rather than accept assurances of higher prices negotiated with the manufacturers.

The importance of an investigation into photocopiers will be if the Japanese manufacturers are found to be dumping their products in Europe at lower prices than those charged in Japan, in spite of already occupying such a dominant position in the market.

French investment in South Africa halted

Continued from Page 1

and could conceivably damage efforts to persuade South Africa to change its policy on apartheid.

But M Laurent Fabius, the Prime Minister, warned at a human rights meeting in Paris at the end of May attended by Bishop Desmond Tutu of South Africa that the French Government would consider firm actions against Pretoria if there was no satisfactory change in policies in South Africa during the next 18 months. The events of the last few weeks precipitated the Government's decision to take action last night.

If France leads the hard-line camp in the EEC on South Africa, Britain stands at the other end of the scale. The British firmly resist suggestions that the EEC should adopt economic sanctions against South Africa, a position underlined in the clearest manner by Sir Geoffrey Howe, the Foreign Secretary, in a speech to the Royal Commonwealth Society in London on Tuesday.

It now remains to be seen to what extent other members of the Community will follow France's line, which is at least partially dictated by the Socialist Government's desire to placate its left-wing supporters.

Diplomatic observers in London believe that West Germany, with very substantial investments in South Africa, is more likely to take the British than the French line. But the Dutch who, in Brussels, called for the code of conduct for EEC companies to be made compulsory and who have always adopted an extremely critical attitude towards South Africa, might be persuaded to follow the French example.

What is certain is that the European Community has lost a golden opportunity to adopt a common position on a major international problem and has thus undermined current efforts to extend political co-operation between the member states.

Tom Lynch writes in London: Sir Geoffrey yesterday faced a barrage of demands by Labour Alliance MPs for UK Government action against South Africa.

His repeated dismissal of calls in the House of Commons for economic sanctions against South Africa were attacked by Mr Denis Healey, Labour's foreign affairs spokesman. He said the Government had supported sanctions against Poland after the declaration of the state of emergency there, and was now secretly supporting U.S. sanctions against Nicaragua.

He challenged Sir Geoffrey to deny that sanctions had been effective in helping to secure the release of the U.S. hostages in Iran. He said the declaration of a state of emergency had turned South Africa into a "storm trooper state."

Sir Geoffrey said the Government had always taken "a profoundly sceptical" view of the value of sanctions anywhere. He agreed with Mr Anthony Nelson, a Conservative MP, that sanctions would be ineffective and undesirable and were not in the interests of those they sought to help.

Mr David Steel, the Liberal leader, said an "imaginative and humanitarian gesture" such as the freeing from prison of Mr Nelson Mandela, the leader of the African National Congress, would do more to calm the situation than the emergency powers invoked by the South African Government. He called on Britain to consider the use of selective sanctions.

Sir Geoffrey suported the call for Mr Mandela's release, and agreed that bold actions were necessary to restore the possibility of dialogue in South Africa.

Indesit close to receivership

Continued from Page 1

dustry Ministry officials on Tuesday night, Indesit proposed reducing the workforce to 1,400. But according to a ministry official, Indesit provided no restructuring plan and no proposal for a capital injection. Trade unions immediately attacked the new Indesit management and called for receivership and the protection of the Prodi Law.

Sig Passi said yesterday that the shareholders, who together control 53 per cent of Indesit – the Campioni family with 21 per cent plus unidentified UK and Swiss investors – are unable to provide any fresh capital. Last week, following the announcement of a L106bn 1984 loss, the company decided to write down its capital from L75bn to L40bn.

Indesit has been searching for outside partners for the past year, but the Italians who were involved in discussions – Ariston and Candy – have backed away. Sig Passi also said that other companies from the U.S. (such as Westinghouse, Whirlpool and General Electric) were showing no interest in a rescue.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	S	29	84	Dubrovnik	S	30	86	Malaga	S	30	86	Salzburg	S	25	77
Akrotiri	S	32	90	Faro	S	31	88	Malta	S	32	90	Seoul	S	31	88
Algiers	S	30	86	Florence	S	33	91	Manila	—	—	—	Singapore	R	29	84
Amsterdam	S	28	82	Frankfurt	C	23	73	Miami	C	26	79	Stockholm	R	16	61
Athens	S	33	91	Funchal	S	24	75	Milan	S	29	84	Strasbourg	S	25	77
Bahrain	S	37	99	Geneva	S	30	86	Moscow	C	17	63	Sydney	R	14	57
Bangkok	R	30	86	Gibraltar	S	26	79	Munich	S	24	75	Taipei	R	33	91
Barcelona	S	28	82	Guernsey	S	17	63	Nairobi	F	22	72	Tangier	S	35	95
Beirut	S	31	88	Helsinki	C	19	66	Naples	S	32	90	Tehran	—	—	—
Belgrade	S	28	82	H. Kong	S	32	90	New Delhi	C	35	95	Tel Aviv	S	29	84
Berlin	S	20	68	Innsbruck	S	27	81	New York	S	26	79	Tenerife	S	27	81
Biarritz	S	31	88	Inverness	C	14	57	Nice	S	27	81	Tokyo	S	32	90
Blackpool	C	19	66	Istanbul	S	26	79	Oporto	F	22	72	Toronto	S	26	79
Bordeaux	S	33	91	Jersey	S	21	70	Oslo	F	17	63	Tunis	S	31	88
Brussels	S	24	75	Jo'burg	F	17	63	Paris	S	23	73	Valencia	S	32	90
Budapest	S	25	77	Las Palmas	S	25	77	Prague	S	22	72	Venice	S	30	86
B. Aires	—	—	—	Lima	C	18	64	Reykjavik	F	12	54	Vienna	C	27	81
Cairo	S	36	97	Lisbon	S	38	100	Rio de J'o	C	23	73	Warsaw	C	20	68
Cape Town	F	18	64	Locarno	S	27	81	Rome	S	34	93	Zurich	S	27	81
Caracas	—	—	—	London	S	27	81								
Casablanca	S	30	86	Los Angeles	C	29	84								
Copenhagen	C	20	68	Luxembourg	S	23	73								
Corfu	S	34	93	Madrid	S	37	99								
Dublin	C	19	66	Majorca	S	29	84								

Readings at mid-day yesterday.

C-Cloudy D-Drizzle F-Fair Fg-Fog R-Rain S-Sun Sl-Sleet Sn-Snow T-Thunder

Thatcher unmoved by Tory revolt

Continued from Page 1

isters would be a "little more receptive to the views of backbenchers. Good government need not consist of trampling on the sensibilities of friends and supporters," he said.

Conservative Party managers will now be conducting a post-morten examination. One commented last night that Mrs Thatcher would no longer be able to take for granted the loyalty of her backbenches. He said Mrs Thatcher might have been better advised to explain the proposals to the sommons herself first and to have mentioned them in her speech to the 1922 Committee of backbench Tories last Thursday.

There has also been some embarrasment and anger on the opposition side since 35 to 40 Labour MPs failed to vote, as did a third of MP's in the Liberal/SDP Alliance.

A griup of 15 Labour MPs last night tried and failed to obtain an emergency meeting of the Parliamentary Labour Party to find out why opposition whips had failed to bring in sifficient MPs to defeat the Government. The criticism is partly associated with the fortcoming electin for a new Labour Chief Whip.

The House of Commons is a place of changing moods, often seizing on an issue and for a short time making it the focus of intense interest. And so it was on Tuesday night.

Conservative MPs had returned to the Commons on Monday from their constitutiencies reinforced in their anger about the size of the awards at a delicate stage in the teachers' pay talks and when sacrifices were being demanded elsewhere.

Initially, it was thought that only 20 to 30 backbenchers might vote against or obstain. However, as MPs chatted on Tuesday evening in the bars, tearooms and on Terrace, waiting for the debate to start after midnight, doubters turned into abstainers and abstainers into outright rebels.

JOBS COLUMN

Key role in spreading awareness of science

BY MICHAEL DIXON

"HAVE a go at this one," said Professor Richard Gregory as he bounded across the gadget-filled room in Bristol. "Here's your hair-dryer, it can blow either medium or hard."

He pointed at two brightly coloured beach balls suspended from a beam by rods which allowed them to move sideways but not back and forth. They hung about three inches apart.

"Your job is to move them farther apart by blowing air between them; try starting with the medium blow," he told the young woman whom he'd given the hair-dryer. She took aim at the three-inch gap and pressed the switch.

Instead of swinging apart the beach balls drew closer together. When the woman turned on the dryer full blast they moved farther inwards and touched. Whereupon she looked perplexed.

"Now why do you think that happened?" asked Richard Gregory, who would be a strong contender for the title of the world's most eminent overgrown schoolboy. The titles he holds at present are Professor of Neuropsychology of the University of Bristol and Director of its Brain and Perception Laboratory.

But what he was showing off with the hair-dryer and numerous other devices was an independent project to give fun and new understanding to lively minds of either sex and not necessarily young, whose education has left them with little appreciation of science. The project is the Bristol Exploratory, which is due to open to the public in September 1986 in what once was Brunel's first railway terminus.

It will be quite the opposite of a museum in the sense that instead of being forbidden to touch the exhibits, visitors will be encouraged if not required to play around with them.

The idea is to bring key scientific principles to life, and surprisingly so. For each of the Exploratory's so-called "plores" will be designed so that what happens when people not versed in the sciences have a go with it, will be strikingly different from what they expected. They will then be prompted to ask themselves why the strange result came about, and pointed towards an answer.

The project's temporary workshops are already crowded with weird and wonderful things. (Richard Gregory's current favourite seems to be a closet lighted only by a dim electric bulb in a socket on a stand. He asks you to step over and unscrew the bulb. And when you try, it is not there. You can still see it — I tell you — but it is not there.)

Even so, a good many other plores need to be thought up, developed and built in suitably young-person-proof form before the Exploratory will have enough for its public opening. Which explains why the Jobs Column got itself intrigued by the professor's private demonstration the other Sunday morning.

The enterprise now needs a workshop manager to complete a trio of full-time executives alongside James Dalgety, co-ordinator of the project, and its administrative chief Kate Tiffin. She says the prime need is for someone with ability to lead a team of three research technicians, also still to be recruited, in bringing the Exploratory into full being.

Another essential is ability to get a mental grasp of scientific principles that can be intriguingly demonstrated by means of plores, see to the designing and making of the prototype devices and developing them to the quality required to stimulate and withstand the public's interest. The responsibilities will include deciding what further equipment the workshop needs, and training the support staff to use it.

In addition, Prof Gregory says, the newcomer must be able to make up his or her mind about the practicalities of the project and stand up for them even if pressed to try something more elaborate by "enthusiastic scientists." He was not referring only to himself. For example, Sir George Porter, President-elect of the Royal Society, is also interested in the Exploratory.

It is at present running on a £120,000 grant from the Nuffield Foundation. A further £130,000 is in the offing, together with more from other sources, provided that satisfactory progress has been made by the end of the year.

That will depend much on the new workshop manager. To start with, however, the salary cannot be more than about £12,000. Given the necessary qualities and energy, candidates nearing or even at retiring age would be as welcome as those of greener years. Inquiries to Ms Tiffin at 131 Duckmore Road, Ashtongate, Bristol; telephone 0272 634321.

Which still leaves the question why the beach balls moved closer together when the air was blown between them. The Jobs Column just happened to know the answer—thanks to the fine children's books on science by Jean-Pierre Petit published in Britain by John Murray.

If the balls had not moved nearer together, aeroplanes would not fly and there would be no point in moles building molehills. The principle involved is Bernoulli's Law: if air or any other fluid flows faster round one side of an object than round the other, the external pressure pushing against the side with the faster flow is reduced. As there is then greater external pressure against the other side, the object is pushed towards the direction where the flow is faster.

But I am still stumped by another of the plores. It consists of two mirrors, each pivoted at the back enabling it to be spun round through a full circle.

One is an ordinary mirror so that when you sit in front of it and lift your right hand your image in the glass raises its left hand. When you turn the mirror through a half-circle on the pivot so that the glass goes upside down, your image and the reflection of whatever is behind you stay the right way up just as they were before.

The other mirror is made up of two glasses set at an angle to one another. The result is that when you look straight at them you see a single image of yourself and your background. But this time when you raise your right hand your image raises its right hand too. And when you turn the mirror upside down, you and your background go upside down as well. Why?

While the professor offered to tell me the answer, he obviously hoped that I would take on the challenge of trying to work it out for myself. So I said I would.

But since I'm still vainly seeking a plausible solution, I'd be grateful for helping hints from readers able to provide them. Those who can must evidently be unusually bright people. Richard Gregory says that Plato, among others, got the explanation hopelessly wrong.

Part-time chief

HEADHUNTER Christopher Beale seeks someone with weight in City circles as non-executive chairman for an £8m-turnover family business planning a USM listing. Paper industry experience would help. £20,000 for probably "a bit more" than two days concentrated effort a month. Since he may not name his client, he promises to abide by requests not to be identified to the employer at this stage.

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We have been retained by a number of clients who seek qualified Bankers with three or more years experience in developing UK Corporate or International business. The successful candidates, if not qualified Bankers, will be Graduates with relevant banking experience, or perhaps senior marketing support people with a good background of client contact. Language ability, French, German or Spanish is of importance in respect of some of the opportunities currently available.

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A Major Money-Broking Organisation is expanding its activities in various market sectors, particularly the Corporate and Interbank areas. We would be pleased to hear from Brokers who are seeking a change, as well as people with a background in Stockbroking, Corporate Treasury Departments or similar. This is a superb opportunity either to expand your existing career within a growth environment, or to make that change in direction which can be so difficult to achieve.

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This vacancy calls for excellent skills in balance sheet interpretation, encompassing major asset equipment finance, with emphasis on UK and European transactions. Fluency in French is essential. Age about 35 years, US credit trained.

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Jonathan Wren
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Operations Manager

– Securities Trading Firm

c. £20,000

Our client is a London-based registered securities firm which has been recently established by a leading international bank headquartered in Europe and having global activities. The overall group's assets exceed US $50 billion.

We are seeking an Operations Manager to play a key role in setting up and managing the support systems and procedures for the new London firm. Responsibilities will include internal book-keeping, automated systems, accounting control, external reporting, external auditors and relationships with the securities clearing agents, as well as ensuring close coordination and integration over time with the parent bank's systems.

Our client requires a qualified accountant, knowledgeable on support systems for equity and bond securities trading both in the primary and secondary markets. Experience working with micro computers and automated systems is important, as is an ability to administer all aspects of the firm's operations, ranging from office services through to financial controls and reporting. He or she is likely to be aged over twenty-eight.

This is an excellent ground floor opportunity to be a key member of a fastgrowing, young and dynamic team and develop a career in the capital markets with a prestigious institution.

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As investment recruitment specialists since 1976 our longstanding clients include a wide range of reputable Stockbroking and Institutional names. Due to current activity and developments they are keen to talk to individuals of high calibre, at all levels, in such areas as:–

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High demand from brokers for analysts at all levels and certain teams – particularly Consumer, Oils, Electricals, Financials, Europe and Japan. Institutions still seek those with experience of U.K. or Japan.

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Stephens Associates

International Recruitment Consultants

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Eurobond Dealer

Salary c.£30,000 + Benefits

A rapidly expanding International Stockbroking firm, with a well established presence in the fixed income area, is looking to further develop its London operations.

The successful applicant will have sole responsibility for running an active book in a fast growing sector of the Euromarkets, and will report to the Managing Director.

The ideal candidate will have a minimum of one year's experience in Eurobond trading and currently be seeking to progress their career by joining a small, highly motivated team to assist in the firm's continued expansion. He/she will play an active part in decision making and will therefore require a strong, independent personality.

In the first instance please contact **Sally Poppleton or Jonathan Williams** on **01-404 5751** or write to them, enclosing a comprehensive curriculum vitae, to 23 Southampton Place, London WC1A 2BP, quoting ref. 3526.

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Based in the company's London headquarters and part of a team of exceptionally high calibre, you will carry out market analysis and monthly financial reporting for the operating companies, using computerised simulation and modelling techniques to make business forecasts. You will also structure proposals for acquisition and divestiture and will considerably influence the development of a group which is committed to growth and tuned to respond quickly to market developments.

An MBA in your twenties, you can liaise effectively with people at senior management levels and are fluent in at least one other European language. You will enjoy an international lifestyle, travelling very frequently to Europe and the US. Highly numerate, with excellent analytical skills and capacity for strategic planning, you have two years' experience in some area of financial management.

You will receive a highly attractive salary and benefits package. To apply please ring or preferably write in complete confidence to Helena Watson of Cripps, Sears & Associates Ltd., Personnel Management Consultants, 88/89 High Holborn, London WC1V 6LH. Tel: 01-404 5701.

Cripps, Sears

CJA RECRUITMENT CONSULTANTS

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Opportunity for development in M.I.S. and to accrue capital – 2 year renewable contract

CJA

E.D.P. MANAGER – BANKING

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EXPANDING DOMESTIC BANK WITH EXTENSIVE BRANCH NETWORK

For this appointment, we seek candidates of graduate calibre, fluent in English, aged 30-35, with at least ten years broadly based EDP experience. This must include operating, programming, analysis, design and implementation of major systems with data base. We require a minimum of five years as D.P./Project Manager with at least three years on IBM Systems 34's, stand-alone and linked, using RPG II. A knowledge of retail banking, its DP requirements, I.B.M. P.C's plus related software and MIDAS will be a distinct advantage and previous Middle East experience is desirable. Heading a small multi-national group, the successful candidate will be responsible to the Head of Bank Operations for the management of all aspects of the existing nationwide D.P. operation, particularly its enhancement and further development. The ability to gain respect at all levels and to work under pressure with the minimum of direction and supervision is essential. Initial tax free salary negotiable S.R. 200,000 – S.R. 225,000 and generous range of leading bank benefits. Applications in strict confidence under reference EDPM 4363/FT, to the Managing Director: C.J.A.

An exacting position – scope to become a First Vice President within 3 – 5 years

ALPS

FINANCIAL CONTROLLER – BANKING

LONDON — **£37,000 – £45,000**

LEADING EUROPEAN COMMERCIAL BANK – ASSETS IN EXCESS OF £3 BILLION

This vacancy calls for candidates, aged 33-45, qualified A.C.A.'s who have a minimum of 8 years post qualification experience in the International Banking environment, at least 2 years heading, or as the number 2, of the Financial Control operation. Responsibilities are widely drawn and will cover taking responsibility initially for the continued improvement and further streamlining of the existing financial and accounting procedures of the Bank and secondly, to provide a significant contribution in the commercial effectiveness of the Bank's many services. The capacity to think and look constructively and influence policy decisions is of key importance. Initial salary negotiable, £37,000–£45,000 + car, generous subsidised mortgage facility, contributory pension, free life assurance, free B.U.P.A., assistance with removal expenses if necessary. Applications in strict confidence under reference FCB095/FT, to the Managing Director: A.L.P.S.

Opportunity for advancement to Financial Controller-Head Office or with major operating subsidiary in 2-4 years.

ALPS

CORPORATE FINANCIAL SERVICES MANAGER – EUROPEAN REGION

CENTRAL LONDON — **£22,000 – £25,000 + CAR**

HEADQUARTERS OF MAJOR RAPIDLY EXPANDING BRITISH DIVERSE, INTERNATIONAL GROUP – TURNOVER EXCEEDS £4 BILLION

We invite applications for this new appointment from Chartered Accountants, aged 26-35, with at least three years' post qualification experience in professional audit management or in industry/commerce with employers of note. A broadly based financial accounting background is essential with the particular ability to make a full contribution and meaningful interpretation in the fields of international consolidations and taxation. Reporting to the Group European Financial Controller and heading a substantial team, the successful candidate will be responsible for all aspects of regional financial accounting procedures and control, monthly reporting and full quarterly consolidations. The evaluation and implementation of taxation strategy together with the complete financial integration of recent acquisitions and ad hoc investigations are other priorities as is the overall supervision of an in house credit management subsidiary. The ability to produce results under pressure in a fast moving environment and to gain confidence at the highest level is vital. Initial salary negotiable £22,000 – £25,000, car, contributory pension, life assurance, medical cover and relocation expenses. Applications in strict confidence under reference CFSM094/FT, to the Managing Director: A.L.P.S.

Excellent opportunity for accountants seeking a move into Personnel.

CJA

MANAGER – REMUNERATION AND BUDGETS – BANKING

LONDON — **£16,000 – £20,000**

INTERNATIONAL MERCHANT BANK

This is a new appointment, which calls for candidates, aged 30-38, who must be highly-numerate personnel generalists with either 3 years' experience in payroll, budgets and remuneration administration, (ideally in the financial sector) or accountants wishing to widen their experience within personnel. Supported by a competent team, the successful candidate will be responsible for UK and overseas payroll/benefits administration, personnel records and the preparation and monitoring of a sizeable budget, as well as for the production of personnel and statistical mangagement reports. An important aspect will be giving guidance and direction in these areas and there will be certain ad hoc projects which may include a computerisation exercise. Considered essential is a calm, well-organised approach, together with the ability to work under pressure in a busy department where high standards of accuracy, presentation and speed are of prime importance. Initial salary negotiable £16,000 – £20,000 + generous mortgage subsidy, non-contributory pension scheme, free life assurance and free BUPA. Applications, in strict confidence, under reference MRB 4365/FT, to the Managing Director: C.J.A.

35 NEW BROAD STREET, LONDON, EC2M 1NH. TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-638 9216

Organisations requiring assistance on recruitment – Please telephone 01-628 7539

ASSISTANT TAXATION MANAGER

Liverpool

£16,000 pa (minimum)

Royal Insurance plc currently have a vacancy in their Taxation Division, which is located in Liverpool, for a person to play a leading role in taxation planning and research in respect of their worldwide non-life insurance operations.

The successful applicant must possess a detailed and up-to-date knowledge of UK corporate taxation law and have had several years' experience of its practical application to the affairs of a large, multi-national company. Additionally, some knowledge of taxation law in major overseas countries would be an advantage.

Progression opportunities within the company are excellent. A first class benefits package is offered, which includes low interest mortgage facilities, pension scheme and generous relocation assistance where appropriate.

To apply, send full curriculum vitae to:–

R. M. Armour,
Administration Manager,
Group Comptroller's Department,
Royal Insurance plc.,
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Royal Insurance

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A leading City merchant bank with an active trading desk offers a challenging opportunity to a Sterling Dealer with a record of profitable trading.

The successful candidate will have several years' experience in the Sterling Money Markets and will be fully familiar with sterling futures, FRAs, CDs, Swaps and Gilts.

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The remuneration package will be substantial, reflecting the demands of the post, and will consist of high basic salary with profit share and full range of banking benefits.

If you are interested in an opportunity to develop your skills further and can demonstrate your success to date, please send a detailed curriculum vitae to the address below, or telephone for an appointment to see:

Caroline Baker
01-481 3188

CHARTERHOUSE APPOINTMENTS

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NEW JAPAN SECURITIES EUROPE LIMITED

Fixed Interest Securities Dealer

Applications are invited for a position which has arisen on our expanding fixed interest securities desk. Previous experience will be an advantage although not necessary as training will be provided. Applicants must be recent graduates with a wide inteerst in financial and economic affairs and be prepared to work in an Anglo-Japanese environment.

This post offers significant career prospects as well as opportunities for overseas travel.

Remuneration will be competitive and commensurate with experience.

Please apply in writing, with a full curriculum vitae, to:

Mr. T. Miyake, Company Secretary
NEW JAPAN SECURITIES EUROPE LIMITED
95 Gresham Street, London EC2V 7NA

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Fund Management

Segregated Funds to£40,000

Our client, a major force in investment management and part of a highly diversified group, seeks an experienced and highly motivated individual to fulfil a key role in the continuing development of the segregated funds operation.

The ideal candidate is likely to be in the 28 – 40 age group and have a sound track record in broadly-based fund management. Experience may have been gained in any mainstream investment management environment and will have included a significant element of client contact.

Reporting to the Managing Director, the successful individual will contribute to the formulation and strategy for the segregated funds and will be involved in attracting and retaining a profitable client portfolio.

This opportunity will appeal to those who are unable to exploit their personal ambition and ability within their current environment, as the group's excellent in-house research and support functions ensure the opportunity to develop fully within this role.

Remuneration will fully reflect the importance which the company attaches to this appointment, including participation in the executive share option scheme. There is also scope for significant further management and equity participation.

Please contact Sarah Gates at the Investment Division, 23 Southampton Place, London WC1A 2BP, telephone 01-404 5751.

MP

Michael Page City

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Group Pensions Manager

Actuary c. £30,000

Rowntree Mackintosh

Rowntree Mackintosh is an international business which manufactures and markets chocolates, sugar confectionery, grocery and snack products. Its highly successful range includes well-known brands such as Kit Kat, Quality Street, Black Magic, Aero, Smarties, Polo Mints, Rowntrees Jellies, Pan Yan Pickle, and Murphy's Crisps.

The £200m Rowntree Mackintosh pension fund, established in 1906, is a voluntary scheme based on money purchase principles, carrying out its own investment programme, and the majority of Trustees are member elected.

Due to a forthcoming retirement, the company seeks an Actuary to take over as Group Pensions Manager who will report to the Main Board Director responsible for pensions along with the Investment Manager. Key tasks are ensuring that the fund remains ahead of legislative and other changes affecting pensions; overseeing all administrative matters; and co-ordinating and advising on pensions matters in a growing number of overseas subsidiaries.

The ideal Manager will be an executive aged 35-45 who has experience in a substantial fund of all the key tasks. Flair and initiative to continue the record of successful pensions management, and the knowledge to meet changing circumstances in the pensions world, are prerequisites. Strong personal skills are essential to work well with Trustees, committee members, the Investment Manager and outside advisors, as well as to deal with individual members, and to manage a department of over 20 people.

The post will be located in the pleasant, historic city of York with reasonably-priced housing within easy commuting distance and convenient for attractive countryside and coast. The negotiable salary is supported by an excellent range of benefits.

Please send full cv, in confidence, to G T M Hinds, Ref: AA76/9430/FT.

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Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

Business Analyst

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City markets are changing. The deregulation of financial markets together with new technology amounts to a revolution in the international securities industry.

We intend to maintain our leading position, and to do this we are acutely aware of the necessity to study the trends and implications of what is becoming a global marketplace.

To assist us in achieving our objective, we seek a Business Analyst of the highest calibre who will advise and liaise with both our in-house technical services and our principals.

You will probably be in your early 30's with substantial experience of City markets and computing.

You will almost certainly have a degree and be currently working in the City environment, probably in a consultancy rôle.

This position demands the highest level of professionalism in terms of both oral and written communication skills, personal presentation and analytical ability.

This is a highly influential position offering an outstanding opportunity to enhance our future information strategies.

To apply please telephone or write in strictest confidence to our consultant Brian Burgess quoting Ref: BB928.

Lloyd Chapman Associates

International Search and Selection

160 New Bond Street, London W1Y 0HR. Telephone: 01-408 1670.

International Lending

Spread Your Wings

Aged 24-29 you have a good understanding of international lending but you are limited in scope and prospects, and therefore frustrated. Preferably a graduate and with a bank, you speak French. You confidently believe you can become a good European lending officer and possess excellent communication skills, both written and verbal.

After careful planning, this leading international bank is set to increase business in Europe by attracting quality borrowers needing syndicated or direct loans or trade credit facilities. The London office is supported by a network of European offices who will assist the campaign. The bank also has a worldwide spread of branches and offices. In London, the corporate image is professional without being stuffy and there is much emphasis on teamwork.

Salary is negotiable but generous and there are normal banking benefits. Advancement prospects are good. Should you wish to apply please telephone or write to Derek Cox of Cripps, Sears & Associates Limited, Personnel Management Consultants, 88/89 High Holborn, London WC1V 6LH. Tel: 01-404 5701.

Cripps, Sears

Senior Investment Executives

£17,000—£23,000

Two early recruits to the GLEB's Investment Division have recently moved on to even greater things — *one to head an overseas development* bank and the other to run his own company.

We therefore now need two Senior Investment Executives. The successful applicants will have a formal accountancy qualification or possibly an MBA. They will be able to demonstrate sound experience, ability and mature judgement in appraisal, structuring and negotiation of new investment as well as "hands on" management and monitoring of existing investments. Such experience is likely to have been gained in an investment institution, commercial/industrial holding company or possibly consultancy.

They will play an important role in furthering the aims of the Greater London Enterprise Board in the regeneration of the London Economy. This activity has, already, involved assistance to some 200 companies for the creation or saving of over 3,500 jobs.

Interviews will be conducted from mid-August. Please write enclosing full curriculum vitae to: Roger J Webster, Director of Investment, Greater London Enterprise Board, 63-67 Newington Causeway, London SE1 6BD.

The Greater London Enterprise Board is an equal opportunity employer, and applications are welcome from candidates regardless of sex, race, nationality, age, or marital status and from registered disabled persons.

Greater London Enterprise Board

Business Development Commercial Banking

Due to the expansion of Hambros services to small and medium-sized companies, we now wish to appoint an Assistant Manager to work with a team which is responsible for the growth of our corporate banking activities as well as for providing a support service to existing clients.

This is an excellent opportunity *for a qualified banker (AIB)* in his or her late twenties/early thirties who can demonstrate considerable experience and expertise in all aspects of lending, together with handling potential customers and evaluating new business propositions.

In addition to an attractive salary and benefits, there are excellent career prospects for the candidate who has the confidence and ability to contribute to the success of the Commercial Banking Division.

Please write, enclosing your curriculum vitae, to Paul Conboy, Recruitment and Training Manager, Hambros Bank, 41 Bishopsgate, London EC2P 2AA.

HAMBROS BANK

Consultancy

Ernst & Whinney is an international accounting and consulting practice with numerous UK offices and clients ranging from the largest multinationals to small, family companies. The consultancy provides a wide variety of management services to the full range of clients, and to many organisations which are not clients of the main firm.

We are seeking additional well qualified and experienced professionals to join this team. You will be a graduate with qualifications and skills in accounting, computing or some other discipline of practical value to management. You will be articulate in both the spoken and written word and prepared to travel extensively.

If this route might interest you, please write to Lindsey Allen, partner in charge of northern consultancy, giving reasons for your interest and indicating your career intentions. We offer competitive salaries and a package of benefits commensurate with a major professional practice.

Ernst & Whinney Management Consultants, P.O. Box 61, Cloth Hall Court, 14 King Street, Leeds LS1 2JN.

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INTERNATIONAL BANKING

DYNAMIC OPPORTUNITIES WITH A MAJOR EUROPEAN BANK

MONEY MARKET
c £40,000 + Car
Age 30 +

A minimum of five years' trading experience in Secondary CDs, Acceptances, FRNs and Financial Futures is required for this management position. The successful candidate will play a major role in the development and expansion of the trading function within an already very active dealing room.

OPERATIONS
c £30,000 + Car
Age 30-45

As Deputy to the Senior Operations Manager, the job involves the overall control of 10 departments employing 90+ staff. Candidates should have a thorough grounding in all aspects of operations, which should include a good knowledge of securities. A minimum of 10 years' international banking experience is essential, of which at least five should have been at management level.

To discuss these positions in more detail, and complete confidence, please contact:

ROD JORDAN (Managing Director) on 01-377 1199

RODAN RECRUITMENT LIMITED

14 Devonshire Square, London EC2

INTERNATIONAL BANKER

Our clients, a well established UK incorporated bank, wish to reinforce its team of line officers whose function it is to develop specialised international lending services through their overseas banking contacts and direct marketing in selected countries.

Potential candidates who should be in the 30-40 age group must have a proven track record of successful negotiation and completion of international lending involving borrower/guarantor and country risk assessment. A broad knowledge of the international banking community and a developed marketing capability are essential as is the ability to work in a team operation.

Salary plus the usual banking industry benefits will be by negotiation.

Write in strict confidence (listing any companies who should not be approached) with a detailed c.v. to:

Patrick B. Allen, Managing Director
BERESFORD ASSOCIATES LTD
Boundary House,
91/93 Charterhouse Street
London, EC1M 6HR

Thermal Scientific plc

Group Company Secretary

Derbyshire c£18,000 + car + stock options

A Company Secretary is required for Thermal Scientific, one of the world's leading groups in products based on thermal technology. *Group turnover has increased to £20M and pre-tax profits to £2.8M* following planned expansion in the UK and US.

The key tasks will be to provide a professional service for legal and statutory matters within the group and to give comprehensive administration support to the Chairman and Board. Self-motivation, flexibility and the ability to react quickly in a challenging growth environment are vital requirements.

Candidates, aged up to 45, should have appropriate legal or accountancy qualifications and at least five years' experience of company secretarial work. *A proven track record as secretary or assistant* secretary in a public company would be an appropriate background.

This is a senior appointment reporting to the Group Finance Director and a commensurate salary and benefits package will be negotiated. The Company has a stock option scheme and career prospects are excellent in this expanding group.

Applications with full career details should be sent to:

Mr J. D. Gilbertson, Thermal Scientific plc
Bamford, Sheffield S30 2AU.

TRADED OPTIONS

Leading London firm of stockbrokers, with international connections and strong representation in institutional gilt and equity business, is establishing a presence in the traded options market.

We require professionally qualified people, or graduates, with experience and the ability to motivate themselves and others. Age 25-35.

Reply with full curriculum vitae to Box A9050, Financial Times, 10 Cannon Street, London EC4P 4BY.

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Prince Rupert House, 9-10 College Hill, London EC4R 1AS - Tel: 01-248 0263
20 years market experience

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Independent Stockbroker

Due to the continuing expansion of our private client department we are about to recruit Portfolio Managers to run existing and new accounts in our London office.

The success of our company is built on our reputation for professionalism with personal service, and new technology has enabled us to provide the most efficient portfolio and stock surveillance. We will not only be looking for evidence of the right experience and self motivation, but also for the personal flair which will actively contribute to our expansion.

Graduates of 24 and over with several years appropriate experience in the financial services sector, should apply in confidence, enclosing a full Curriculum Vitae to:

N F Andrews, Greig Middleton & Co.,
78 Old Broad Street, LONDON EC2M 1JE.

GREIG MIDDLETON
Members of The Stock Exchange

INTERNATIONAL SECURITIES DEALER/TRADER

A newly established subsidiary of a Scandinavian company is seeking to employ an experienced security trader with not less than 3 years of active and practical experience.

The candidate must be a responsible and entrepreneurial thinker, and capable of developing our international trading department by creating innovative and dynamic ideas.

The position offers the candidate opportunities for upward mobility in management and travel.

Salary would start at £25,000, in addition, a substantial year-end bonus would be commensurate with experience and review. Benefits would include those normally associated with senior executives.

All applications will be treated with the strictest confidence. Please send a cover letter with your c.v. to F.T. Box A9081, Financial Times, 10 Cannon Street, London EC4P 4BY

Accountancy Appointments

UK Controller

Apple Computer

Hertfordshire

c £28,000 + Bonus + Car

In just eight years the company has become recognised as the innovative leader in the rapidly developing world of personal computing. Worldwide revenue in 1985 is expected to approach $2bn, an increase of 30% on the previous year. The UK represents a key market for Apple and several new products have been successfully launched in the past year.

The UK Controller will report to the Managing Director and manage an able and enthusiastic team of 7. Prime responsibilities include the presentation and interpretation of management accounts, the development and execution of financial control systems and a major input into the decision making process of the senior management team.

You should be a qualified accountant, probably in your 30's. Ideally you will have worked in a fast moving marketing-led company and have experience of both line financial management and a wider role working with other functions. Of equal importance are the personal qualities required for outstanding success in this demanding environment; enthusiasm, commitment and highly developed interpersonal skills.

Please reply in confidence, giving concise career, personal and salary details, quoting Ref. ER800, to Martin Lawless, Executive Selection. **Arthur Young Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.**

Arthur Young Executive Selection

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Have you the potential to step outside of the traditional accounting role?

EXCEPTIONAL YOUNG GRADUATE ACCOUNTANTS

West Sussex **c. £15,000 + generous benefits**

Our client is the international marketing and research division of one of the world's largest groups.

They wish to recruit young accountants, with well developed personal skills, for the specific opportunity to develop into disciplines well outside the finance function.

This is a unique and challenging opportunity, as they have created within the finance department an exciting environment offering planned career development, the potential for rapid promotion, and an ideal stepping-off point into other parts of the group.

Based in one of the more pleasant parts of the country, successful candidates will enjoy the advantages of easy access to central London, but may have to forgo the joys of daily commuting!

For further information on the company, the group and the roles, contact Caroline Benton on 01-836 9501, or write enclosing a c.v. to our London office quoting reference 5464.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
113/115 George Street, Edinburgh EH2 4JN. Tel: 031-225 7744
Brook House, 77 Fountain Street
Manchester M2 2EE. Tel: 061-236 1553

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OIL INDUSTRY ACCOUNTING

West End

Hamilton Brothers Oil & Gas is one of the largest and most active independent North Sea operators. Our fields include Argyll, Duncan, Innes and now the new Esmond gas complex which came on-stream just last month. As a direct result of this increased activity we have two openings available within our young and professional accounting group based in London.

Assistant Treasurer

A recent internal promotion has created this vacancy. Working with a minimum of supervision, you will be involved in a wide range of duties including the daily monitoring of bank balances, funding of payments via the on-line transfer system, liaison with partners to ensure timely receipt of funds and the administration of Hamilton's loans. A substantial amount of analysis work involving use of a personal computer and spreadsheets is required covering Royalties, VAT, and statistical returns to the Department of Energy and the Bank of England.

The nature of the job will favour candidates with previous oil industry experience who are either ACA/ACCA or graduate equivalents. A knowledge of Treasury matters and UK Royalties would be advantageous.

Assistant Management Accountant

This is a new opportunity for a part-qualified Accountant to join a small and highly-motivated finance team. The work involves the monthly preparation of management reports for our Consortia Partners and for senior management in the UK and US covering Hamilton's North Sea activities. You will also assist in the interpretation and calculation of cash requirements from Partners in respect of exploration, development and production expenditures as well as involvement in ad hoc exercises. Extensive use is made of personal computers.

Candidates should be resourceful and self-motivated. The position would suit a part-qualified ICMA/ACCA with a minimum of two years' experience in an accounting or analytical area. Graduates would also be considered.

Hamilton offer highly competitive salaries with an excellent benefits package. Please send full career details to Mrs G Baines, Hamilton Brothers Oil & Gas Ltd, Devonshire House, Piccadilly, London W1X 6AQ.

Hamilton Brothers Oil and Gas Limited

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Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SHEFFIELD and WINDSOR

Financial Accountant

Nr. Cambridge, c £12,000 + Benefits

This profitable, expanding company has a turnover of c. £30m and is the star performer of a diversified group. Continuous high growth means opportunities to advance and such a promotion results in this vacancy. Part of a young very professional financial team, responsibilities will cover the control and analysis, through a very competent staff, of debtors, creditors, payments and product costing. Candidates must be qualified with supervisory experience. Full relocation costs will be made to a very attractive area.

J.H.E. Davies, Ref: 37414/FT. Male or female candidates should telephone in confidence for a Personal History Form **01-734 6852,** *6th Floor, Sutherland House, 5/6 Argyll Street,* **LONDON,** *W1V 1AD.*

Chief Accountant

Equatoria Region Agricultural Programme Sudan

As a continuation of earlier initiative, ERAP has been established, wholly funded by ODA, to strengthen the provision of regional services.

Reporting to the Project Director, the Chief Accountant will be responsible for financial accounting; maintenance of detailed accounts in respect of Government of Sudan funds and meeting Government accounting and audit requirements.

Other tasks include close liaison with other Officers and Section Heads in the preparation of orders and the financial aspects of annual work plans and budgets; and providing training for local staff.

Applicants should be British Citizens, and members of a recognised accountancy body with at least five years post qualifying experience, preferably gained overseas.

The appointment is on contract to ODA, on loan to the Government of Sudan for a period of two years. Salary (UK taxable) is in the range £18,250 to £24,150 pa, and includes an element in lieu of superannuation. A variable tax free Foreign Service Allowance, currently in the range £2,475 to £5,290 pa, is also payable.

For full details and application form, please apply, quoting ref. AH309/AF/FT, stating post concerned and giving details of age, qualifications and experience to: Appointments Officer, Overseas Development Administration, Room 351, Abercrombie House, Eaglesham Road, EAST KILBRIDE, Glasgow G75 8EA.

ODA OVERSEAS DEVELOPMENT
Britain helping nations to help themselves

DEPUTY to FINANCIAL CONTROLLER

SURREY **neg. to £20,000 + CAR**

A SUPER-DYNAMIC QUALIFIED ACCOUNTANT aged c. 26-33 is sought by our client, a £100m annual turnover subsidiary of an INTERNATIONAL GROUP trading in fast-moving consumer goods.

The primary requisite is for speed of thought and action backed by the self-confidence to win over others by cogent and reasoned argument.

The successful candidate will spearhead a team of high-level executives monitoring and improving the profitability of core activities and will therefore have high visibility at BOARD LEVEL.

STRATEGIC PLANNING ability and a comprehensive management accounting background are very desirable. Promotional prospects are first-class and a suitable RELOCATION package is available.

Please telephone and send your C.V. to:
GEORGE D. MAXWELL, Managing Director
ACCOUNTANCY APPOINTMENTS EUROPE
1-3 Mortimer Street, London W1
Tel: 01-580 7695/7739 (direct)
01-637 5277 ext 281/282

Accountancy Appointments Europe

Financial Manager

Europe

A Senior Role - Dynamic FMCG Environment

Diversified, multinational leaders in the grocery trade, our Clients are a dynamic US company high in acquisitions.

Based South West of London, and responsible for the monthly review, analysis and consolidation of their European subsidiaries' company accounts, you will also prepare reports on profitability and analyse and interpret results for European marketing personnel.

Probably a Chartered Accountant with several years' post-qualification experience of managing people, foreign currency and computers, you will ideally have worked with FMCG. This is a positive role demanding initiative, the ability to cope with the complexities of vertical integration and exceptional communication skills. Experience of a US company would be an advantage.

A salary negotiable around £20,000 is supported by generous benefits which feature a company car and excellent career prospects.

Please write with full cv quoting ref. L566 to Questor Associates, 29 Buckingham Gate, London SW1 6NF, or telephone on 01-630 9493.

Questor
SELECTION SPECIALISTS

Financial Director

(designate)

Berkshire **c£25,000+Car**

THE COMPANY A profitable and expanding unique Hi-tech Group of Companies, with a turnover in excess of £11m, market and service computerised production control systems with a wide variety of applications.

THE OPPORTUNITY Recent reorganisation to facilitate future growth has created a challenging but rewarding career path for the successful individual.

YOU . . will be professionally qualified, in your late 20's or early 30's, and be very confident of your man-management skills. You have the commitment to ensure success and the flexibility to work effectively in an informal and dynamic environment.

THE ROLE Reporting to the Managing Director you will initially be responsible for improving the efficiency of the financial and management information. Subsequently you will assume the role of Director controlling the accounting and financial functions, implementing new computer packages and improving performance by tightening procedures.

THE REWARDS Success in this position will create further opportunities, with the prospect of the Group 'going public' in 1987.

Please write or telephone Andrew Fowler, Regional Manager, for a personal history form quoting ref BB5604.

Management Personnel
Recruitment Selection & Search
2 Eton Court, Eton, Windsor, Berkshire.
Telephone: (07535) 54256

Accounting Manager – Services

Exploration Finance Department

LONDON **c. £21,000**

British Gas, one of the UK's leaders in hydrocarbon exploration, has an excellent record of achievement and innovation in both commercial and exploration activities.

Growth in our Exploration and Production operations makes increasing demands on our finance function, and our Exploration Accounting Department has recently been reorganised to meet this major challenge. We are now looking for an exceptional person to manage the section responsible for the provision of financial management and development accounting services to the Corporation's exploration subsidiaries.

Applicants must have an appropriate accounting qualification and several years experience in a senior management role within a large organisation, preferably associated with the oil industry.

Salary and benefits are those normally expected of a large progressive organisation, including assistance with relocation expenses where appropriate.

To apply please write with full career details, and quoting reference ATH/FIN/0006, to: The Personnel Manager, British Gas, 59 Bryanston Street, London W1A 2AZ.

BRITISH GAS
an equal opportunities employer

Managing Director

c. £35,000 + car

The company for which we are acting is a world leader in its chosen field with probably an unmatched record of innovation and profitable growth. Its products have quite a high technological input and are sold to both OEMs and the after market. Current turnover is around £12.5 million with prospects of sales reaching £20 million in the medium term. A Managing Director is now required as a result of a group promotion. He or she will be responsible for recommending, agreeing and implementing company strategy. He or she will prepare forecasts and budgets and will enjoy considerable freedom and autonomy to meet them. Candidates, aged 35–45, should preferably be graduates with a professional qualification in accountancy. They should have a first-rate record in profit accountable general management within a company manufacturing consumable products for industrial or office use. Earnings of some £35,000 plus car and top-hat pension are offered.

Location: Hertfordshire.

Please send full cv, in confidence, to J J Jennings, Ref: GM34/9451/FT.

PA Personnel Services

Executive Search · Selection · Psychometrics · Remuneration & Personnel Consultancy

Hyde Park House, 60a Knightsbridge, London SW1X 7LE.
Tel: 01-235 6060 Telex: 27874

INTERNATIONAL AUDITORS

£15,000 - £20,000 + car

If you are young, qualified and looking for a career with plenty of opportunities for travel, we're here to help you. With a wide selection of excellent positions available in international companies in the service sector based in Central London, we are ideally placed to fill your job requirements. Our service is personal, professional and completely confidential. We may have just what you've been looking for, so why not ring us today for an appointment or simply send us your CV?

THE PERSONAL SERVICE
ACCOUNTANCY ASSOCIATES LIMITED
incorporating Accountancy Recruitment
5 VIGO STREET LONDON W1X 1AH TELEPHONE 01-439 3387 TELEX 27769

Accountancy Appointments

Director – Finance and Administration

Leisure

To £25,000 + Car

London

This company's success can be traced to its ambitious young management and its strong position in expanding luxury, leisure markets. There are two operations; the first is the importation and distribution of the leading brand of whirlpools and luxury bathroom fittings. The company also designs and constructs leisure facilities, specialising in custom built swimming pools. Turnover is currently £2.5m with a growth rate of about 20% p.a.

This position has total responsibility for the accounting and administrative support functions. The first priority is the introduction of strict control systems and the provision of more meaningful management information. You will be expected to deputise for the Managing Director in his absence and participate in commercial decisions, by interpreting the financial implications of alternative business options.

You should be a qualified accountant, probably in your early 30s. Your achievements to date will include at least three years commercial accounting experience, ideally with exposure to an expanding, marketing led company. Your success in this role will be determined by your commitment to the company's goals, your adaptability and interpersonal skills.

Please reply in confidence, giving concise personal, career and salary details, quoting Ref. ER799, to Heather F. Male, Executive Selection. **Arthur Young Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.**

Arthur Young Executive Selection

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

Financial controller

West London, c £25,000 + car

For the distribution division of the key UK subsidiary of an international consumer goods group which has turnover approaching £3 billion. The division operates through a national network of branches supplying the distributive and retail trades.

In a strong front line role, you will join the senior management team and report to the General Manager who expects a major contribution to business decisions. Your responsibility will be for a department which handles all accounting, performance monitoring and planning. There is work to be done on the improvement of management information and the further development of computer based systems.

You should be qualified and in your 30s, a capable accountant and manager with the ability to get behind the numbers and influence policy. This is a fast moving business and demands energy and initiative.

Career prospects throughout the group are excellent and the salary package includes generous large company benefits.

Please write enclosing a curriculum vitae and daytime telephone number to Stephen Blaney, Executive Selection Division, Ref. B258.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

Fleetway House
25 Farringdon Street
London EC4A 4AQ

Chief Accountant

c £18,000 + car Berkhamsted

Our client, the Outspan Organisation, is the marketing division of a large co-operative of fruit growers in the Southern *Hemisphere with branch offices in a number of countries in* Europe. They wish to appoint a qualified Chief Accountant for the European area to succeed the retiring incumbent. This is a senior management post reporting to the Chief Executive of the European operations.

The successful candidate will be expected to supervise *effectively the accounting functions of the organisation* – control systems, budgets, banking and insurance – but will also be responsible for Secretarial, Personnel and general administrative matters, including salary administration in several European countries, employment conditions, pensions and office management. Experience in all these areas will, *therefore, be very important.*

Particular importance is attached to experience in the handling of foreign exchange and in finance management. A close liaison must be maintained with the overseas Head Office to ensure that all available information for strategic decisions is communicated quickly and efficiently, that administrative systems are compatible and that policy implementation is consistent with Head Office requirements.

Applicants should also have considerable experience of working with computerised systems in a multi-national context.

Starting salary will be around £18,000 and there are attractive benefits including a car, generous pension scheme and health insurance.

Please write, indicating how you meet our client's requirements, quoting reference 1421 to:

BinderHamlyn MANAGEMENT CONSULTANTS

Trevor Austin, Executive Selection Division, Binder Hamlyn Management Consultants, 8 St Bride Street, London EC4A 4DA.

Commercial Manager

Middlesex

c.£18,000 + Bonus + Car

Our client is a fast growing subsidiary of a major international group in the high technology market. In every aspect of its operations our client relies for its success on its capacity to attract and organise the energies of top calibre people in an atmosphere of professional excellence. To help them administer and control their growth, and plan for future expansion, they require a Commercial Manager for their Headquarters.

The successful applicant will be responsible for:

- the total purchasing function including purchases in foreign currency;
- ensuring continued flow of product from suppliers through to customers on a timely basis including liaison with their customs clearance agents;
- ensuring that equipment requiring sub-assembly meets customer requirements in all aspects;
- safeguarding company assets at all times;
- liaison with UK and foreign customers;
- achieving cash collection targets.

The ideal candidate will be 28-35 years with a degree or professional qualification in accountancy or business administration. They will have at least five years' experience in the high technology industry and must be able to communicate successfully with senior management and other levels of staff.

An excellent remuneration package is offered, whilst other benefits include pension scheme and non-contributory private health and life assurance cover.

Letters of application, together with CV, salary progression and other relevant data should be sent without delay stating on a separate sheet those companies that you do not wish your application forwarded to.

Martin Piper, Grey Recruitment, 195 Euston Road, London NW1 2BN.

GREY RECRUITMENT ADVERTISING

EMA

Group Accountant

London c. £18,000 + Car

An exciting appointment for a young Manager or A/M seeking his/her first move from public practice.

Our client, an international electronic systems company has recently taken over a major international group. This new organisation offers a stimulating and rewarding opportunity for a young accountant who, while having sound technical competence, is also commercially aware and has well developed inter-personal skills.

The position entails the normal aspects of group accounting but will also demand of the successful candidate a willingness and enthusiasm to work closely with and assist the Finance Director in most aspects of his responsibilities.

Please write, enclosing a career/salary history and day-time telephone number to Richard Norman FCA, quoting reference I/2309.

EMA Management Personnel Ltd.
Halton House, 20/23 Holborn, London EC1N 2JD.
Telephone: 01-242 7773 (24 hour).

New Post for Young Accountant

London-based

Globe Investment Trust with shareholders funds of over £600 million and funds under management of £1.5 billion, wishes to create a new post in its small Head Office Investment Department.

Investment Assistant

(unquoted investments)

A young Chartered Accountant (or similar professional) is needed to assist in the management of the increasing number of unquoted investments and property projects being made by Globe. The work will involve analysing new propositions in detail and monitoring existing investments. You will work in close conjunction with the Investment Manager and his team, who primarily manage the quoted portfolio. Your experience will have been gained either within a financial institution or from your present employers.

Starting salary will be negotiable depending on experience, and will be part of an attractive financial package. Appointment to a number of boards to represent the company may well follow.

To apply, write in confidence with brief career details to Mr. J. P. Craze, Secretary, Globe Investment Trust P.L.C., Electra House, Temple Place, Victoria Embankment, London WC2R 3HP. Telephone 01-836 7766.

Globe Investment Trust P.L.C.

Financial Controller

"an unsurpassed opportunity for a young accountant to make things happen"

Aged 28-32 c.£18,000+bonus+car

. . . a role which offers, on the one hand, responsibility for the finance/accounting aspects of this long established and profitable £5.5m turnover company and on the other, the challenge of belonging to the inner council - together with the Managing Director and Sales Director - and making decisions which count.

Major demands will be made on your expertise in:

- **introducing budgetary controls, management accounts, effective costing and financial planning**
- ***the further development of the mini computer system***

. . . plus, of course, dealing with statutory accounts, company secretarial duties and the host of diverse activities inherent in small company life.

The company is pre-eminent in its field as a supplier of components to blue-chip end-users whose products serve diverse consumer needs in growth markets. The components - sourced from the continent - are customised in the company's own factories.

To take advantage of this opportunity, which has a Hertford location, you will be qualified with experience in a sales orientated manufacturing environment and well able to demonstrate the commercial flair so necessary for achieving success.

Please forward a comprehensive CV quoting Ref. MD649 to **Dennis Fielding at Macmillan Davies, The Old Vaults, Parliament Square, Hertford, Herts. SG14 1PU. Tel. (0992) 552552.**

Macmillan Davies

Macmillan Davies International Search Executive

Accountants for Management Consultancy

Leeds & Sheffield to £20,000 + car

We are one of the leading management consultancies in the UK and internationally; we are looking for further first class consultants to join our expanding financial management practice in Yorkshire and North East England.

Successful candidates will be qualified accountants aged 28 to 35, probably with a degree, who can demonstrate proven achievement in industry or commerce. Experience must have included responsibility for systems development as well as line management in the finance function. Personal qualities will include the ability to communicate clearly both orally and in writing and the flexibility to tackle a broad mix of assignments.

We offer outstanding opportunities to gain experience in a wide variety of industries and there are excellent prospects for promotion within Peat Marwick for those who wish to pursue a career in consultancy.

Please write in confidence, enclosing a brief summary of your qualifications and experience, and quoting reference L/514 to Ian McBride at Peat, Marwick, Mitchell & Co., City Square House, 7 Wellington Street, Leeds LS1 4DW.

PEAT MARWICK

Jetset Tours

Director of Finance

London up to £25,000

Required for the UK subsidiary of Jetset Tours, the largest travel company in Australia. Turnover of the UK company has expanded rapidly to £14m and substantial growth is planned.

Reporting to the Managing Director, responsible for overall financial management and to develop further computer systems to meet the needs of expansion.

A qualified accountant is required, with sound computer systems involvement. Demonstrable commercial experience will be necessary to justify the maximum commencing salary shown.

Knowledge of the travel business is desirable but not essential.

Please reply with a full cv to:
Barrie Pearson (Ref. JT)

LIVINGSTONE FISHER ASSOCIATES
MANAGEMENT CONSULTANTS
Acre House, 69/76 Long Acre, London WC2E 9JW
Telephone 01-379 3461 Telex 895 3749
An associate of H. W. Fisher & Co

Financial Controller

SW London c£17,500 + car

For a subsidiary of a major international group manufacturing a range of prestige consumer durables. It is a leader in its field in a highly competitive market.

Reporting to the Chief Financial Executive, your responsibilities will include financial and management reporting, cash management, budgeting and certain aspects of the secretarial function. A new computer is shortly being installed and you will play a key role in the planning and management of systems implementation.

Probably in your late twenties, you must be a qualified accountant with at least two years good quality experience in industry or commerce since leaving the profession. A background in a manufacturing environment would be an advantage. There are excellent prospects for career and salary progression.

Please write in confidence to Neil Cameron, quoting ref. N426, at 10 Bolt Court, London EC4A 3DB (telephone 01-583 3911).

Chetwynd Streets
Management Selection Limited

ASSISTANT TAX MANAGER

City-based

Package to £20,000 p.a. including company car

The Corporation of Lloyd's which provides professional support to the Lloyd's of London Insurance Market is now seeking to recruit an Assistant Taxation Manager.

The successful applicant will report directly to the Taxation Manager and join a team responsible for agreeing the Corporation's own tax liabilities as well as providing support and advice to the Insurance Market on all tax matters worldwide.

Candidates should be either qualified accountants with some post-qualifying taxation experience or fully trained Inspectors of Taxes.

A generous fringe benefits package includes a company car, non-contributory pension scheme, free life assurance, flex-time working, annual bonus, heavily subsidised restaurant and season ticket loan scheme.

Please write in the first instance with a full C.V. and details of current salary to: *Mrs. S. M. Woollacott, Personnel Manager, Corporation of Lloyd's, London* House, 6 London Street, London EC3R 7AB.

LLOYD'S OF LONDON

Accountancy Appointments

Manager
Financial Planning & Control
C £30,000 + Car & Banking Benefits

This is a key role at the centre of a leading financial services group, managing a small professional team concerned with the economics and dynamics of the Group and its individual businesses.

The team is involved in establishing financial objectives appropriate to the businesses; participating in projects of strategic importance; evaluating sources of profitability; reviewing major spending plans; controlling and co-ordinating the preparation of financial plans and budgets; and monitoring actual performance.

Applicants should be accountants (ideally with a first degree in Economics) or MBA's, and should be good communicators. Substantial experience of financial evaluation and control for a major organisation is required, preferably in the service sector and possibly through consultancy.

The position is located in the City. The benefits package is in line with the best financial sector practice and includes mortgage assistance.

Applications, which will be treated in strict confidence, should include details of career to date and be addressed to J. D. Vine (Ref. FT/25), Vine Potterton Limited, 152/153 Fleet Street, London EC4A 2DH.

VINE POTTERTON
RECRUITMENT ADVERTISING

Manager – International Audit
Major Financial Services Group
City of London — **Package c£28,000**

With offices throughout the world and a dominant presence in many financial services sectors our client enjoys an enviable international reputation.

As a result of a recent promotion a Graduate Chartered Accountant is now required to lead a well qualified Internal Audit team. Reporting direct to New York the brief is wide ranging: the duties to be performed are varied involving some international travel with the emphasis of the department's work being on operational audit and special assignments.

Ideally aged 30-35 your background should include managerial experience gained in a major professional firm or with a substantial commercial organisation.

The prospects are outstanding and the Group's future plans will provide challenging opportunities.

The package can be tailor-made to suit the appointed person and can include a company car and mortgage subsidy etc.

Please write in confidence enclosing a detailed CV to John P. Sleigh FCCA quoting ref: J/271/MF. A day time telephone number is, of course, essential.

Lloyd Management
125 High Holborn London WC1V 6QA Selection Consultants 01-405 3499

THE SPECTATOR

Management Accountants

John Fairfax and Sons Limited, the international publishing company, has a vacancy for a qualified accountant to work primarily on The Spectator, as well as to handle management accounting for the London bureau of the group's Australian newspapers and magazines.

The position entails preparation and control of The Spectator's accounts, budgetary reporting and issue-by-issue analysis of the magazine's financial performance. You will also review accounting systems within the Fairfax London office and maintain reporting links between The Spectator and its parent company.

With strong personal drive and proven commercial awareness, you should have one or two years' post-qualificational accounting experience, preferably in a publishing environment. Your competitive benefit-supported salary will be commensurate with experience.

To apply, please contact **Mark Brewer** on 01-242 0965 at Michael Page Partnership, 31 Southampton Row, London WC1B 5HY, quoting ref. L2054.

Michael Page Partnership
International Recruitment Consultants
London Windsor Bristol Birmingham Manchester Leeds Glasgow
Brussels New York Sydney
A member of the Addison Page PLC group

EMA

Financial Controller Designate
Swiss Cottage — **c. £15,000**

This is an exciting opportunity for a young recently qualified accountant to gain wide ranging experience within a subsidiary of the world's largest office furniture and systems manufacturer.

Initially working closely with the current Financial Controller it is envisaged that within 6 to 12 months the successful applicant will assume full responsibility reporting directly to the Chief Financial Officer.

Supervising a staff of 3, he/she will be responsible for all the day to day financial and management accounting functions of this fast expanding operation.

While an accounting qualification is considered essential, the other most important requirements would be good inter-personal skills, an eye for detail, a well developed commercial awareness and a good knowledge of micro computers.

For further information please write enclosing a detailed career history and daytime telephone number to Richard Norman FCA, quoting reference I/2311.

EMA Management Personnel Ltd.
Halton House, 20/23 Holborn, London EC1N 2JD.
Telephone: 01-242 7773 (24 hour).

Operational Auditor
£15,000 to £17,000 p.a. plus benefits

Owing to promotional changes within its Internal Audit Department a major international trading Group seeks to appoint a London-based operational auditor. The Department provides a service to local and Group management by appraising and reporting on management control systems within the Group's autonomous operating companies in the U.K. and overseas.

Candidates should be qualified accountants with at least 18 months post-qualifying experience, and be familiar with modern audit and systems techniques.

Career prospects are very good. Amongst a competitive range of benefits are a company car, medical insurance and discounts on a large range of company products.

Please reply to:
WALTER JUDD LIMITED, (Ref L687)
(Incorporated Practitioners in Advertising)
1a Bow Lane, London EC4M 9EJ

Financial Comptrollers
c.£17K + Car + Bonus Opportunity
H.O. – Manufacturing Businesses
Crayford, Kent

Two new business groups, each comprising several operating subsidiaries, have recently been formed as part of the LRC International Group of Companies.

The successful candidates for these exciting new appointments will each report to a General Manager and have functional responsibility for the Finance Departments in operating units. We are looking for a formal accountancy qualification plus five or more years' relevant post-qualification experience.

For an application form and a detailed profile of these posts (which have excellent career opportunities) please write or 'phone to: Tony Carter, Personnel Executive, LRC Industrial Holdings Ltd., Thames Road, Crayford, Kent DA1 4SB. Tel: (0322) 56131 ext. 218.

LRC Industrial Holdings Ltd.
LRC
A member of the LRC International Group

Financial Controller
Banking
City — **£25,000 neg. + car**

Our Client is the substantial City branch of a large German bank. They now wish to recruit a Manager – Financial Controlling and Accounting to succeed the present incumbent who returns to Germany at the year-end.

The Manager – Financial Controlling and Accounting will be responsible to the General Managers for the whole accounting, budgeting, planning and control functions of the bank, supported by a small staff, using sophisticated computer systems and presenting control information to UK and German management and Central Banks.

Candidates, aged probably 30 or over, must be qualified accountants with a good knowledge and understanding of banking procedures and with a reasonable fluency in German. The salary is negotiable around £25,000 plus car and a generous benefits package which reflects the seniority of this post.

Please write, in confidence, with full career details of your banking experience and quoting reference 2763/L to John W Hills, Executive Selection Division, Peat, Marwick, Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

Deputy Head of Audit
Surrey — **c.£24,000+car**

Major British group, a world leader in the supply of speciality products to industry, seeks an accomplished professional to monitor and improve financial disciplines throughout their manufacturing, distribution and marketing operations. This will involve considerable travel throughout the UK, Europe, Africa and the Far East.

Supported by a high calibre team, you will assume responsibility for planning and implementing assignments within strict deadlines and financial constraints, and effectively utilising manpower resources. Staff recruitment and training, quality control, budgeting, administration and special projects will all form key areas of your task.

A qualified accountant and ideally a Business Graduate, you should have at least 3 years' broad-based experience in commerce or industry. Good interpersonal skills coupled with proven management ability are essential qualities. Likely age range, 27-39.

For full details, write in confidence to John Courtis at JC&P, Selection Consultants, 104 Marylebone Lane, London W1M 5FU, showing clearly how you meet our client's requirements, quoting ref. 7181/FT. Both men and women may apply.

JC&P
John Courtis and Partners

Group Internal Auditor
Manufacturing
Northern Home Counties — c.£17,000 + car

Our client manufactures, markets and distributes consumer goods throughout the UK and has an impressive record of growth and profitability.

The group internal auditor is responsible for reviewing and improving financial systems and management controls requiring regular contact with the external auditors. It is expected that there will be the opportunity to extend the scope of the appointment into wider areas of audit.

The need is for an ambitious chartered accountant with experience of multi-site manufacturing or distribution companies. The ideal candidate will be a member of a well-established internal audit department, or possibly from the accountancy profession.

The remuneration package is excellent and there will be opportunities for advancement.

Please write in confidence to Michael Ping enclosing a detailed curriculum vitae and quoting reference F/335/P at Ernst & Whinney Management Consultants, Becket House, 1 Lambeth Palace Road, London SE1 7EU.

EW Ernst & Whinney

GROUP ACCOUNTANT
Middlesex — **Circa £15,000 + Car**

We have been exclusively retained by a successful Investment Holding Company for a diverse group of international trading and investment companies.

Our client wishes to appoint a UK based Group Accountant to join their small Head Office team, dealing with all accounting, finance and treasury related matters.

The successful candidate will be a qualified accountant aged under 28 years, with a year's post qualification experience. He/she will possess good analytical skills, a strong personality and the ability to communicate effectively.

Written applications should be submitted, in strictest confidence, to **Neil Gillespie or Colin Vasey** at our London address, quoting reference number **5449.**

410 Strand, London WC2R 0NS Tel 01-836 9501
26 West Nile Street, Glasgow G1 2PF Tel 041-226 3101
113/115 George Street, Edinburgh EH2 4JN. Tel 031-225 7744
Brook House, 77 Fountain Street
Manchester M2 2EE Tel 061-236 1553

DOUGLAS LLAMBIAS DLA
Douglas Llambias Associates Limited
Accountancy & Management Recruitment Consultants

Management Accountant
A challenging appointment with a leading name in insurance Broking
Salary c£15,000 + car.

As a leading Lloyd's broker and part of Frank B. Hall Inc. USA, Leslie & Godwin have achieved a strong position in international insurance markets.

We now wish to appoint to our City based team a qualified Accountant with some commercial experience who is looking to enter the challenging field of finance in insurance.

We view this as an excellent opportunity for an ambitious young professional in his/her late 20s, early 30s to make a significant contribution to the financial efficiency of the Group. It would be an advantage if your post qualification experience has had involvement in a related area, but we propose a comprehensive programme to introduce you to insurance and to multi currency insurance management.

An attractive salary and benefits package is offered including a company car.

For more information and to arrange an early discussion, please forward a copy of your curriculum vitae to: Tim Baggott, Leslie & Godwin Ltd., Dunster House, Mark Lane, London EC3P 3AD. Telephone: 01-623 4631.

Leslie & Godwin Ltd.

Accountancy Appointments

FINANCIAL DIRECTOR DESIGNATE

London/Essex Borders £20-25k Package

Our clients are a profitable, fast-expanding food trading company operating world-wide in major food markets and are seeking a unique individual to join their team at board level.

The applicant will be a qualified Accountant aged 27-35 who will initially be responsible for heading the computerised accounting team, providing and improving the financial information.

Following a period of review and consolidation our clients are planning further expansion by diversifying into other food-related sectors. The right individual will display the ability to direct the company's future by giving advice, guidance and specific recommendations for acquisitions. Ultimately the company's medium-term plans are to become a publicity listed corporation and previous experience in these areas would be beneficial.

Please write, with full CV, to Mr. G. A. THOMPSON at the address below quoting Ref: GL/LM on the envelope.

DRAKE EXECUTIVE
A Division of
THE DRAKE INTERNATIONAL GROUP
CHESHAM HOUSE, 136 REGENT ST, LONDON W1R 5FA.

Entrepreneurial Young ACA for Leisure Industry

Financial Controller/ Director Designate
London
c £20,000 + Car

Our client has recently achieved PLC status and is about to embark on the next exciting stage of its development.

Already well established in the home entertainment market and with a turnover of £3 million, they have identified and successfully tested a potentially huge marketing opportunity which could treble sales within the next 2 years.

Such explosive growth will, however, make heavy demands on tight financial control and a flow of up-to-date and meaningful management information.

They have decided, therefore, to appoint an ambitious and bright young ACA to work in tandem with the Chairman in developing the business and maximising its profit potential.

Applicants should have at least 2 years' commercial experience including *forecasting, sound business acumen, the ability to develop simple but* effective systems and the mental agility to cope with a fast changing business.

The attractive remuneration package includes a car and a high potential profit sharing scheme will be negotiated.

Please send concise details, including current salary and daytime telephone number, quoting reference E2007, to W.S. Gillilagd, Executive Selection Division,

Thornton Baker Associates Limited, Fairfax House, Fulwood Place, London WC1V 6DW.

Group Financial Controller

Package £30K plus
London Based

Our client is a vigorous and well-established PLC holding company with traditional and contemporary interests in a range of individually managed enterprises at several locations.

Rapid and profitable growth calls for the appointment of a Financial Controller to manage the Group financial accounts, to advise the Board on all financial matters and to *be personally committed to the Group style and objectives.*

A mature and fully qualified accountant is needed with a substantial background of technical excellence and innovative achievement at senior level in a listed PLC with multi-site and diversified activities.

A record of co-ordinating and consolidating accounts from computerised sources is required together with production of meaningful financial information and top quality advice at Board level on acquisitions, capital structure and financial strategy.

Applicants around 35 are most likely to be able to combine depth and breadth of experience with the ability to relate to a young-thinking and fast-moving Board. Success at positively influencing the Board's enthusiasm for prosperity is likely to lead to an invitation to join them.

A package worth £30,000 plus – including car, stock options and BUPA – will be negotiated to meet individual needs.

Please write with a full c.v. quoting ref. 1422 to:

BinderHamlyn MANAGEMENT CONSULTANTS
Trevor Auston, Executive Selection Division,
Binder Hamlyn Management Consultants,
8 St Bride Street, London EC4A 4DA.

Finance Manager

Major responsibility for a recently qualified accountant

Up to £17,500 p.a. + Car **Ipswich**

Volvo Concessionaires is the highly successful importer of Volvo cars and parts in the UK. With a turnover in excess of £300m per annum and market share of just over 3% we have achieved rapid growth within the past five years. We are now seeking to improve the quality and depth of our financial management skills through the recruitment of a high calibre individual at our Ipswich accounting centre.

Reporting to the Financial Control Manager, who has responsibility for accounting and resource control at all our operating sites, you will head up a department of twenty people. As well as a management/financial accounting area, the department is responsible for all aspects of vehicle administration e.g. consignment funding and sales reporting. In addition to managing the production of regular financial information you will prepare forecasts and one year plans and provide a financial service to line management. You will also have responsibility for management of the company car fleet working to agreed profit and resource targets.

The position is an ideal career development opportunity for a recently qualified accountant in their mid-twenties with appropriate large company experience, gained either in the profession or industry. In particular we are looking for a commercial awareness and presence of personality which will enable you to make a front line contribution to the *development of the finance function.*

Opportunities for career progression are excellent either within Volvo or our parent company Lex Service PLC. The position carries an excellent starting salary plus benefits including a prestige company car, BUPA and non contributory pension, sickness and accident scheme, together with relocation *assistance where appropriate.*

Please write with full career details to **Sally Cockbaine, Manpower Development Manager, Volvo Concessionaires Ltd, Lancaster Road, High Wycombe, Bucks.**

VOLVO

Key financial roles

Gloucestershire area

Engelhard Specialty Chemicals Division is part of the international Engelhard Corporation, a US quoted company. Turnover is approaching £2 billion pa and we have ambitious plans for the future.

Decentralisation of the Finance Function means we now need to strengthen this area at our Cinderford location with the following appointments.

Manager of Finance

Attractive five figure salary and car.

Reporting to the UK Financial Controller, the successful candidate will carry responsibility for legal entity reporting, treasury and credit control.

We require a graduate Chartered Accountant, with 2-3 years post *qualification experience and clear* ambition to become a Controller within 2 years. There is a requirement for occasional travel to *Denmark and Germany.*

Plant Accountant

Attractive five figure salary.

Reporting to the Site Director, the Plant Accountant is responsible for all cost information and basic factory ledgers, and plays a major supporting role in assisting the Site Director in financial evaluations.

We ideally require a qualified Accountant with practical experience of cost systems in the chemical or a similar industry, and with highly developed analytical skills. This position carries prospects for advancement to general management via Financial Management.

For both positions, we offer excellent remuneration packages as indicated, and attractive benefits. Relocation expenses will be paid where necessary.

Please write with full career details or CV, or telephone for an *application form to Mr K N Holloway,* Personnel Manager, Engelhard Limited, Specialty Chemicals Division, Valley Road, Cinderford, Gloucestershire GL14 2PB.
Tel: Dean (0594) 22181.

ENGELHARD

Financial Controller

c£18,000 London WC1

Our client, Wolff Olins, the leading corporate identity and design consultants, wishes to appoint a Financial Controller. This is a new position and the job holder will report to the Finance Director.

The main responsibilities of the post will be to develop the company's accounting system using an IBM36, and provide essential project accounting and financial information to the Board.

Candidates should be qualified accountants, preferably in their late 20s, with some commercial or industrial experience. They should be able to develop computer systems and have had responsibility for a small team. In this business service to the client and attention to detail is very important. The atmosphere however is informal, relaxed and self-disciplining. There are excellent prospects for the right candidate.

The salary package is around £18,000 which could include a car.

Please write stating how you meet our client's requirements, quoting ref 1417 to:

BinderHamlyn MANAGEMENT CONSULTANTS
Anne Knell, Executive Selection Division,
Binder Hamlyn Management Consultants,
8 St. Bride Street, London EC4A 4DA.

Ambitious accountants

London West End

Our client is a key subsidiary of a major UK blue-chip company operating in a rapidly expanding commercial environment.

FINANCIAL ACCOUNTANT

c £17,000 + car + benefits ref: 305/P

A young, ambitious accountant with at least two years post qualification commercial experience is sought, who will be responsible for a team of 9 people providing a full accounting service in a very complex business environment.

MANAGEMENT ACCOUNTANT

c £15,000 + benefits ref: 315/P

This new position will provide a recently qualified commercially orientated accountant with experience in a challenging role. Together with a small team the person will be responsible for the provision of full management information including results, budget and financial forecasts as well as carrying out investigations on new business development.

Benefits include a profit share, bonus and low-cost finance loans. Promotion prospects are good.

Applications are forwarded to our client, therefore companies in which you are not interested should be listed in a covering letter.

Please write to Ernst & Whinney Management Consultants at 1 Lambeth Palace Road, London SE1 7EU quoting the appropriate reference number and enclosing a detailed CV.

Ernst & Whinney

GENERAL ACCOUNTING MANAGER

YOUNG PROFESSIONAL FOR WORLD LEADING FMCG COMPANY

Our client is the world leading food division of a major US conglomerate. London is the HQ for their fast growing Europe, Middle East and Africa region, and thus a prime location for a young, ambitious and highly professional accountant to manage their UK accounting operation.

Your considerable involvement in the company's activities will include preparing monthly and annual accounts, management reports, budgets etc., in addition to enhancing present systems, and developing and implementing new computer applications.

A progressive track record, ideally in fmcg, should be complemented by excellent communication skills and proven ability to manage and motivate staff.

A very competitive salary, up to £17,000pa, will be offered together with attractive benefits including company car.

Please write with full cv quoting project L567, to Questor Associates, 29 Buckingham Gate, London SW1 6NF, or telephone 01-630 9493.

Questor
SELECTION SPECIALISTS

Syndicate Accountant

CITY

Circa £15,000

An expanding Lloyds' Agent seeks accountant to take charge of the accounts and returns for a number of syndicates.

The successful candidate will also be able to deputise for the departmental manager and the post provides an opportunity to participate in the developing Lloyds' Market.

We seek an accountant experienced in Lloyds' practices or a newly-qualified accountant with extensive exposure to the audit of Lloyds' syndicates.

The position merits a salary of about £15,000 p.a. and other substantial benefits.

Applications with a comprehensive c.v. should be made under Private and Confidential cover quoting the reference FT/SA on the envelope to:

C. J. P. Willis F.C.A., *Accounts Manager*
POSGATE & DENBY (AGENCIES) LTD.
153 Fenchurch Street, London EC3M 6BB

FINANCIAL DIRECTOR

West Midlands c £25,000 + car, etc.

This key appointment is with a major trading division of a substantial International group.

Reporting to and working closely with the Managing Director, the successful candidate will accept total responsibility for the financial management of the company and in particular have a sound understanding of, and the ability to communicate the needs of the company in terms of more highly sophisticated computerised systems development.

This opportunity will appeal to a qualified accountant (ACA, ACMA, ACCA) with a successful career profile to date gained within a commercially demanding process/manufacturing environment. The ability to advise and influence the commercial decision making policies of the company is an important pre-requisite.

Relocation expenses will be met where appropriate. For an early interview please write or telephone Mr. Brian Daniels, Managing Director, quoting ref: 85/1587 FT.

Daniels Bates Partnership
PROFESSIONAL RECRUITMENT

Daniels Bates Partnership, Josephs Well, Hanover Walk, Park Lane, Leeds LS3 1AB. Tel: (0532) 461671 (5 lines 24 hours).

Finance Director

c. £28,000 + car Godalming, Surrey

Bookwise Service Ltd is the leading Wholesaler of paperback and mass market books to retailers in the U.K. with 1984 turnover of £36m.

Prospects for growth and development in existing and prospective markets are excellent.

As a Key member of the Board, the Finance Director will lead a committed team in maximising the use of financial resources, with an improvement of computer based systems a priority.

Candidates ideally in the early 30's, should have a high quality commercial and financial background and demonstrate the ambition and capacity to make a positive contribution to the development of the business.

Prospects with Bookwise and the Octopus Group are first class.

Please write giving concise career, personal and salary details to:

M. D. Robertson, Managing Director, Bookwise Service Ltd
Langham Park, Catteshall Lane, Godalming, Surrey GU7 1NG

Bookwise Service Ltd is a Member of the Octopus Publishing Group PLC

ACCOUNTANCY APPOINTMENTS
APPEAR EVERY THURSDAY
Rate: £37.00 per single column centimetre plus VAT
For further details ring:
LOUISE HUNTER on 01-248 4864

International Appointments

GROUP AUDIT DIRECTOR

DUBAI — **Circa US$ 60,000 p.a. + perquisites**

The Al-Futtaim Group, which is one of the largest professionally managed groups in the Gulf, requires a Group Audit Director to be based at its head office in Dubai. The Group is engaged in trading, construction, engineering, manufacturing, insurance and finance.

The Group Audit Director will report to the President of the Group. He will head an independent central audit function which currently consists of around twenty professionals, and will have the authority to scrutinise and comment on all aspects of the group's operations - both financial and non-financial. He will promote the development and implementation of cost-effective financial, operating and administrative controls throughout the group, conduct special investigations, liaise with external auditors, suggest operational improvements, etc. The group's activities are extensively computerised on a large in-house computer installation using advanced software and the Group Audit Director will be expected to apply the most upto- date techniques in systems and computer audit.

Candidates should be Chartered Accountants of about 50 years of age. They are likely to have been the head of the internal audit function in a large, professionally managed multi-divisional company and must have either direct or supervisory experience of auditing computerised systems. A high degree of interpersonal skills and an ability to deal constructively with persons of varied nationalities are essential pre-requisites for the job.

In addition to the tax free salary mentioned above, perquisites include furnished family accommodation, company car, annual leave passages for employee and his family, medical benefits, gratuity, etc.

Please apply in strict confidence within 14 days to:

A.F. Ferguson & Co.
P.O. Box 7219, Dubai
United Arab Emirates

giving full details of age, qualifications, experience and salaries drawn. All applications and envelopes should be marked "Ref. MS/9040"

Finance and Marketing

Paris — **Excellent Package**

One of the fastest growing US computer corporations currently requires two ambitious individuals for its International Head Office based in Paris.

Business Controller

Heading up a new Business Planning/Marketing Group you will be responsible for:

- ★ Forecasting, strategic planning and analysis
- ★ Asset management
- ★ Pricing strategy
- ★ Analysis of operational performance
- ★ International client liaison
- ★ Frequent direct contact with Corporate Headquarters in USA

Aged around 30, your accountancy, MBA or business degree qualification will be complemented by proven commercial experience.

Financial Accountant

Internal promotion has created this vacancy for a recently qualified accountant to undertake consolidations and the general accounting duties for a subsidiary company. Commercial acumen coupled with an unusually high level of ambition is essential.

Both positions command attractive packages and in particular offer outstanding prospects for career progression within the group. Familiarity with computers and a knowledge of French would be advantageous.

Interested candidates should contact Mark Adams on 01-831 0431 or write, enclosing a comprehensive c.v., to Michael Page International; Sicilian House, Sicilian Avenue, London WC1A 2QH, quoting ref. MA987/FT.

MP
Michael Page International
Recruitment Consultants
London Brussels New York Sydney
A member of the Addison Page PLC group

GENERAL MANAGER

Cairo, Egypt

Economics Laboratory is a multi-national leader in the manufacture and sale of specialty chemicals for hotels, hospitals and food processing plants. Our current opening in Cairo, Egypt, offers an exceptional opportunity for an astute General Manager who can manage our Egyptian joint venture and supervise well-established distributors in the Middle East—primarily Saudi Arabia, U.A.E. and Kuwait.

We seek the dynamic individual whose 5+ years' management experience includes successful marketing and sales of disposable goods and knowledge of manufacturing, distribution and general administration. The ability to travel freely throughout the Middle East is essential, as are strong written and verbal communication skills — English fluency required; Arabic a plus. Knowledge of chemicals is a definite advantage.

If you are the candidate we select, we will support your success with an intensive 6-month training programme prior to your overseas position. And we will reward your achievements with the excellent compensation and benefits package you would expect of a Fortune 500 leader in the global marketplace. For prompt consideration, please send your résumé in confidence to:

Ibrahim Ghorayeb
ECONOMICS LABORATORY, INC.
255 Blair Road
Avenel, New Jersey 07001, U.S.A.
Equal Opportunity Employer

FINANCIAL ANALYSTS

HONG KONG

We are a leading financial Group in the Far East and we are looking for bright young financial analysts who are interested in working in Hong Kong.

If you are 23-26 years old, unmarried, have had graduate level education, presently working as a junior analyst with a stockbroking, fund management or other financial institution and you are keen on spending a few years developing a career in Hong Kong, please write to us with a résumé and details of yourself.

For successful candidates we plan to offer an initial salary within a range of HK$150,000 to HK$180,000 a year. In addition, there is an attractive bonus scheme. Thereafter, if you prove to be successful, you can expect fairly rapid escalation of remuneration.

Those interested please write to: Box A9082
Financial Times, 10 Cannon Street, London EC4P 4BY

INTERNATIONAL APPOINTMENTS APPEAR EVERY THURSDAY
Rate: £37.00 per single column centimetre plus VAT

EMPLOYMENT CONDITIONS ABROAD LIMITED

An international association of employers providing confidential information, to its member companies, relating to employment of expatriates and nationals worldwide

TEL: 01-637 7604

INTERNATIONAL CENTRE FOR DIARRHOEAL DISEASE RESEARCH, BANGLADESH

VACANCIES

ICDDR,B is a non-profitmaking international institution situated in Dhaka, Bangladesh. Its aims are to conduct research and training in diarrhoeal disease and related subjects of nutrition and fertility and to develop improved health programmes for control of diarrhoeal disease in developing countries. It is also involved in major demographic surveys.

Candidates are being sought for the following position at P5 UN level.

1. **CHIEF FINANCE OFFICER**
The Chief Finance Officer will be responsible for the overall financial management of ICDDR,B under the Director of the Centre. Duties will include fiscal planning, resource development liaison, monitoring grants administration and adherence to donor requirements, developing and implementing budgetary systems, review and analysis of the financial performance of ICDDR,B.
The Chief Finance Officer will advise the Director and Board of Trustees as well as supervising a supporting staff.
Qualifications and Experience:
MBA, MPH or MPA with a proven record of progressive responsibilities in finance, computerised financial systems and administration. Experience in a grantee non-profitmaking organisation desired, preferably in a developing country. The candidate must possess proven interpersonal and communication skills and the ability to interact in a multicultural background at different levels.

Candidates are being sought for the following position at P2 UN level.

2. **RESOURCES DEVELOPMENT PROGRAMME OFFICER**
This individual is responsible to the Associate Director, Resources Development to liaise with foreign embassies, concerned national institutions, local offices of international agencies in Dhaka and other potential donor agencies or collaborating institutions. He/she will prepare donor proposals, co-ordinate with various working groups to finalise required reports to donors as required by the grants agreement.
Qualifications and Experience:
A university graduate with minimum five years' relevant experience in proposals and budget formulation, fund raising with excellent writing and speaking capability in English is essential. Work experience in a developing country other than that of the individual's own nationality and experience in an international agency are preferred. Experience in international or public health and accounting background is desirable.

Candidates are being sought for the following position at P1 UN level.

3. **INTERNAL AUDITOR**
This individual will be responsible for conducting independent appraisal activities within the Centre and review accounting, financial and other operations for the management to ascertain the extent of compliance with established policies, plans and procedures.
Qualifications and Experience:
University degree in finance accounting with specialisation in accounting management with seven to 10 years' work experience either in a public accounting firm or in an internal audit position.
Tactful manner combined with determination to pursue matters will be considered as an added quality.

These positions carry a WHO(UN) based salary structure depending on qualifications, experience and number of dependants. Contract period is for three years.

A detailed job description may be provided on request upon submission of applications and a detailed curriculum vitae together with names and addresses of references which should reach the Acting Chief Personnel Officer, ICDDR,B, GPO Box 128, Dhaka-2, Bangladesh, not later than 20th September, 1985. Applicants are requested to indicate the name of the publication where the advertisement was seen.

The position will be available after July 1, 1986.

E U T E L S A T

ORGANISATION EUROPEENNE DE TELECOMMUNICATIONS PAR SATELLITE

recherche pour sa Division Finances :

T R E S O R I E R

Vous devrez assurer l'ensemble de la gestion de la trésorerie et des financements : établissement des prévisions de trésorerie, préparation des paiements, suivi des encaissements, prévision des besoins de financement à long terme, préparation des appels d'offres aux banques, évaluation des offres, négociations et suivi des contrats d'emprunts.

Vous avez un diplôme d'études supérieures dans le domaine comptable et financier complété par plusieurs années d'expérience dans un poste similaire, si possible au sein d'un établissement bancaire. En outre, vous avez de très bonnes connaissances en anglais et en français. (Réf. T/FT)

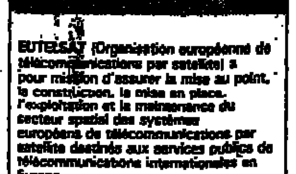
A D J O I N T B U D G E T

Vous assisterez le responsable du Budget et Contrôle Financier dans l'analyse, l'autorisation et le suivi des engagements financiers de l'Organisation. Vous participerez notamment à la conception, la mise à jour et l'entretien de modèles utilisant des techniques informatiques pour la gestion financière des contrats, ainsi qu'à des études financières portant sur différents aspects de la vie de l'Organisation, et à la préparation de documents établis par celle-ci pour la gestion et les prévisions financières.

Diplômé d'études supérieures (en gestion ou en comptabilité), vous justifiez d'une expérience réussie de plusieurs années au sein d'une équipe financière et/ou comptable. Une bonne connaissance des mathématiques et de l'informatique serait un atout supplémentaire. La pratique courante des langues anglaise et française est indispensable. (Réf. AB/FT)

Pour ces 2 postes, le lieu de travail se situe à PARIS.

Merci d'adresser votre dossier de candidature, en précisant la réf. du poste choisi, au Chef de la Division du Personnel et des Services Généraux - EUTELSAT - 33, avenue du Maine - 75755 PARIS Cedex 15.



EUTELSAT (Organisation européenne de télécommunications par satellites) a pour mission d'assurer la mise au point, la construction, la mise en place, l'exploitation et la maintenance du secteur spatial des systèmes européens de télécommunications par satellite destinés aux services publics de télécommunications internationales en Europe.

EUTELSAT

MEDIA BA

Company Notices

TRANS-NATAL COAL CORPORATION LIMITED

(Incorporated in the Republic of South Africa)

Gencor Group

DIVIDEND DECLARATION

Notice is hereby given that a final dividend, No. 45 of 00 cents (00 cents for the year) per share has been declared payable to ordinary shareholders in respect of the financial year ended 30 June 1985.

The dividend is declared in the currency of the Republic of South Africa and is payable to shareholders registered in the books of the company at the close of business on 9 August 1985. The register of members will be closed from 10 August 1985 to 25 August 1985 both days inclusive. Payment will be made by the transfer secretaries mentioned below, on 30 August 1985. Payments from the United Kingdom office will be made in United Kingdom currency at the rate of exchange ruling on 20 August 1985, or the first day thereafter on which a rate of exchange is obtainable.

Non-resident shareholders' tax of 15 per cent will be deducted from dividends payable to shareholders whose registered addresses are outside the Republic of South Africa.

The full conditions of payment may be inspected at or obtained from the London office of the company or the office of the transfer secretaries.

By order of the Board
per pro. GENCOR (U.K.) LIMITED
London Secretaries
L. J. Baines

30 Ely Place
London EC1N 6UA
25 July 1985

London Transfer Secretaries
Hill Samuel Registrars Limited
6 Greencoat Place
London SW1P 1PL

ECU 50,000,000
THE KOREA DEVELOPMENT BANK
Floating Rate Notes due 1992

In accordance with the provisions of the Notes, notice is hereby given that for the six month Interest Period from July 19, 1985 to January 20, 1986, the Notes will carry an Interest Rate of 9.3125% per annum. The interest amount payable on the relevant Interest Payment Date which will be January 20, 1986 is ECU 478.56 for each Note of ECU 10,000.

Generale Bank
Agent Bank

GEOFUND CONVERTIBLE BONDS

(Société d'Investissement à capital variable R. C. Luxembourg-No. B21608)

Registered Office:
43 Boulevard Royal, Luxembourg

NOTICE IS HEREBY GIVEN that the Annual General Meeting for 1985 to be held at the offices of Kredietbank S.A. Luxembourgeoise, 43 Boulevard Royal, Luxembourg on Friday, 16 August 1985 at 2.30 p.m.

AGENDA

1. Submission of the Report of the Board of Directors and of the Statutory Auditor and Independent Public Accountants.
2. Approval of the Annual Report and Audited Accounts at 31 May 1985.
3. Declaration of Final Dividend.
4. Discharge of the Directors and of the Statutory Auditor and Independent Public Accountants in respect of their duties carried out for the period ended 31 May 1985.
5. Ratification of the co-option of Mr D. Somers as a Director.
6. Receipt of an action of [illegible] for election of Directors and the Statutory Auditor and Independent Public Accountants for a new statutory term.
7. Miscellaneous business as may properly come before the Meeting.

A member entitled to attend and vote at the above meeting may appoint a proxy to attend and vote on his behalf and such proxy need not be a member of the Company. Holders of bearer shares should deposit their shares with one of the Coupon Paying Agents shown below against remittance of a certificate of deposit which will entitle them to attend the meeting

MANUFACTURERS HANOVER BANK (GUERNSEY) LIMITED, P.O. Box 92, Manufacturers Hanover House, Le Truchot, St. Peter Port, Guernsey, Channel Islands.
MANUFACTURERS HANOVER BANK LUXEMBOURG, S.A., Box 807, 39 Boulevard Prince Henri, Luxembourg.
MANUFACTURERS HANOVER LIMITED, 7 Princes Street, London EC2P 2EN.
KREDIETBANK S.A. LUXEMBOURGEOISE, 43 Boulevard Royal, Luxembourg.
By Order of the Board of Directors

VITRO S.A.

US$75,000,000
Floating Rate Notes due July 1988
(Extendible at the Noteholder's Option to 1991)

Notice is hereby given that the rate of interest for the period 23rd July, 1985 to 23rd January, 1986 has been fixed at 8.9375 per cent per annum. On the 21st January, 1986, interest of US$45.68 per US$1,000 nominal amount of the Notes, US$456.81 per US$10,000 nominal amount of the Notes, and US$2284.03 per US$50,000 nominal amount of the Notes, will be due against interest Coupon No. 9.

SWISS BANK CORPORATION
INTERNATIONAL LIMITED
Agent Bank

NOTICE TO HOLDERS OF DU PONT OVERSEAS CAPITAL N.V. BEARER SECURITIES

Copies of the latest Annual Report of E. I. du Pont de Nemours & Company and the Financial Statements of Du Pont Overseas Capital NV can be obtained on request from:

Du Pont Overseas Capital NV
c/o E. I. du Pont de Nemours & Co
R. L. Frank, D-8047
1007 Market Street
Wilmington, DE19898, USA
Tel: (0101-302) 774-9017

TRAFALGAR FUND

société anonyme d'investissement
Registered Office: 14 rue Aldringen, Luxembourg
Commercial Register: Section B 8 202

The quorum required by law not having been reached at the first Extraordinary General Meeting of Shareholders held on June 11th, 1985, the shareholders are invited to attend a

SECOND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

to be held on August 9th, 1985, at 15.00 hours at the registered office of the Fund, 14 rue Aldringen, Luxembourg, with the following agenda:

1. Amendment of the articles of incorporation in accordance with the law of August 25th, 1983, including, without limitation, the following:
   a) Articles 3 and 30:
   To delete in these articles provision, referring to the law of 31st July, 1929 and to replace them by reference to the law of 25th August, 1983 regarding investment funds.
   b) Article 5:
   To add to this article the following paragraph:
   "The Corporation has authorised capital of US$10,000,000 consisting of 5,000,000 shares of a par value of US$2 (two dollars US) per share."
   c) Article 7:
   To amend the second paragraph of this article to redefine the conditions for the issue of new shares and to waive preferential subscription rights. The text of the amended article 7 is available for inspection at the registered office.
   d) Article 21:
   To add the following sentence to the second paragraph:
   "Redemption proceeds shall be paid not later than seven business days after the applicable redemption date or after receipt of the repurchased share certificates whichever occurs first."
   to delete in the second paragraph:
   "and if the corporation agrees to redeem or causes a subsidiary"
   e) Article 23:
   To amend article 23 first paragraph so as to reflect that the maximum commission on repurchase of shares is 1 per cent of the net asset value per share and
   to amend paragraph "A" sub paragraph (2) to be read as follows:
   "the value of any bond, time note, share, stock debenture stock, subscription right, warrant, option or other investment or security which shall be listed or dealt in upon any New York stock exchange shall be determined by taking the closing price or, lacking the quotation of a closing price, the middle of the bid and offer prices on any such stock exchange on that business day in New York, all as reported by any means in common use"
   f) Article 24:
   To add the following paragraph:
   "The issue price for subscriptions shall be payable not later than five business days after the date on which the applicable net asset value was determined."
   g) To delete all reference to the subsidiary company in the articles and specially in the articles 21, 23.

The shareholders are hereby informed that this second Extraordinary Meeting of Shareholders shall validly vote on the points of the agenda no matter what portion of the share capital of the Corporation will be present or represented.

In accordance with Luxembourg law, resolutions will be subject to a majority of 2/3 of the shares represented at the meeting, provided however, that at this second meeting, shares not represented will (in a number not exceeding ½ of the total number of outstanding shares) be deemed to vote for the resolutions proposed above, and provided further that in such latter case the resolutions must be voted by the majority of the shares represented at the meeting.

To attend the Extraordinary General Meeting of Shareholders of August 9th, 1985 owners of registered shares should have their names recorded in the company's register of shareholders five working days prior to the Meeting and owners of bearer shares deposit their shares at least five working days prior to the Meeting with the following banks:

BANQUE GENERALE DU LUXEMBOURG SA
14 rue Aldringen, Luxembourg
J. HENRY SCHRODER WAGG & CO LIMITED
36 Old Jewry, London EC2R 8BS

The Board of Directors

Art Galleries

AGNEW GALLERY, 43, Old Bond St., W1. 01-629 6176. YOUNG ARTISTS AT AGNEW. Until 28 August. Mon.-Fri. 9.30-5.30. Thurs. until 6.30.

BROWSE & DARBY, 19, Cork Street, London, W1. 01-734 7984. FINE BRITISH AND FRENCH paintings, drawings, sculpture, 1870-1950.

LEFEVRE GALLERY, 30, Bruton St., W1. 01-493 2107. IMPORTANT XIX & XX CENTURY WORKS OF ART. 20th June-27th July. Mon-Fri 10-5, Sats 10-12.30.

MALL GALLERY, SW1. Nr. Admiralty Arch. THE PASTEL SOCIETY. 10-5 Daily inc. W/E to August 3rd.

Clubs

EVE has outlived the others because of a policy of fair play and value for money. Supper from 10-3.30 am. Disco and top musicians, glamorous hostesses, exciting floorshows. 189, Regent St. 01-734 0557.

CLASSIFIED ADVERTISEMENT RATES

	Per line (min. 3 lines)	Single column cm (min. 3 cms)
	£	£
Commercial & Industrial Property	10.50	35.50
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SECTION II – COMPANIES AND MARKETS
FINANCIAL TIMES
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Alan Friedman, recently in Pordenone, on the task facing a modest former Fiat executive

Electrolux man prepares to clean up at Zanussi

"I AM not an expert on home appliances and probably I never will be."

Sig Gian Mario Rossignolo, the 54 year-old chairman of Italy's Zanussi home appliance group, is a modest man, but a tough manager. Handpicked by Electrolux of Sweden, which last year took over the crisis-ridden Zanussi, Sig Rossignolo is facing the challenge of his life – the restructuring of one of Europe's leading white goods companies and its successful integration into the Electrolux family.

While he may not be intimately familar with the inside of a refrigerator or washing machine, Sig Rossignolo is well equipped to do what needs most to be done, namely the managing of a company which until recently has been technically insolvent.

It is too early to judge the Zanussi restructuring plan, which among other things calls for job cuts affecting nearly a third of the 18,000 workforce over the next three years and heavy capital spending in factory automation. But even in his first six months in the job Sig Rossignolo, who had more than 20 years' experience as a Fiat executive, has been busy working on new promotion, distribution and sales plans and has presided over tortuous negotiations with trade unions, the regional government of Friuli in northeastern Italy, where Zanussi is based, and government officials.

Sig Rossignolo, who frequently commutes by helicopter from his home in Turin, where he is also chairman of the Italian subsidiary of Sweden's RIV-SKE concern, to Zanussi headquarters in Pordenone, leaves no doubt about his feelings for the former Zanussi management: "That management was clearly not very involved in day-to-day operations."

He also says Zanussi's financial situation was a lot worse than even Electrolux imagined when it finally took over in December: "The reality of this company was different from what we expected." Zanussi last year lost L125.9bn ($64.7m), which wiped out two thirds of its newly-reconstituted capital base.

A large part of the 1984 loss stemmed from foreign exchange costs of servicing a dollar debt which has now been converted into lira as part of the rescheduling of Zanussi's L1,000bn debt over seven years.

Charges on the disposal of several companies which were peripheral to the white goods business were struck in last year's accounts, but more will contribute to the 1985 full-year loss of around L25bn to L30bn. The full-year loss is equivalent to the deficit in the first six months, when Zanussi lost and then recouped 3 per cent of its market share at home which is now back to around a quarter of the Italian market.

The Italian white goods market is in dreadful shape and Zanussi has been hurt by other companies, including Candy, Indesit and Ariston, which have cut prices to steal a march on the leader during its crisis. "We earn abroad and lose in Italy.

"The Italian market has a destructive competitive structure," says Sig Rossignolo. Last year 66 per cent of Zanussi's L1,760 turnover came from abroad.

But while orders slumped in the first quarter of this year, the signs are that distributors will be taking 14 per cent more than last year during the second half of 1985. Meanwhile Indesit, the second largest Italian white goods maker, is facing serious problems and is seeking outside partners.

To get Zanussi into shape, Sig Rossignolo will first complete work on recapitalising the company through the conversion of L72bn of bonds head by Electrolux into shares. Electrolux's stake in Zanussi will remain at 49 per cent for the next few years with Fiat, Mediobanca and and other Italian shareholders holding smaller stakes.

The most important work is the reorganisation of manufacturing – shifting refrigerator, washing machine and dishwasher production around the Zanussi plant network and introducing automation.

Zanussi plans to spend more than $160m on streamlining production – it is now using 60 per cent of its capacity – and introducing new products. Where will the money to buy new technology come from? About L75bn should come from the Friuli regional government, which is a

Sig Gian Mario Rossignolo

10.5 per cent shareholder in Zanussi. The rest will come from the company's recapitalisation, from cash flow and from Electrolux.

As a result, Zanussi will dispense with 4,848 workers in Italy over the next three years. By the end of December the number redundant will come to 2,850. Around 40 per cent of these 2,850 workers are already on temporary lay-off. This means Zanussi's workforce, which totalled 29,000 in 1982 and now stands at just over 18,000, will in 1988 be down to around 13,600. If the company's factory automation plan proceeds, it is likely that 1988 and 1989 will see additional redundancies of 1,000 workers a year.

Sig Rossignolo is making use of his Fiat experience (he still wears his watch strapped on the outside of his shirt sleeve like Fiat chairman Sig Gianni Agnelli) in his restructuring plan. He has hired as a consultant the Fiat engineer who recently servised the car company's robotised engine plant at Termoli.

He also reckons Zanussi products must be updated. "Zanussi products are still like old Fiat 500 models from the 1960s. We must move from a simple design to more sophisticated engineering and innovation, more micro-chips, more options and such," he says.

But how will Zanussi be integrated into the overall market and manufacturing strategy of its new parent, Electrolux? Sig Rossignolo says this is not hard and predicts integration will be complete by next year. He says Zanussi and Electrolux, which together have a quarter of the European home appliance market, have "an ideal situation."

Zanussi is hardly present in Electrolux's home territory of Scandinavia and is not present in Holland or Switzerland, where Electrolux is strong. It is strongest in the UK, West Germany, Spain and Italy. The two companies are already producing to each other's specifications, Sig Rossignolo adds.

As an example of the integration he says that in France, where top loading washing machines are more popular, Zanussi will buy from Electrolux. In southern Europe, where front-loading machines are the norm, Zanussi will produce for Electrolux.

Sig Rossignolo says Zanussi hopes to be back in the black in the last month of this year on a monthly budget basis. Key to the new strategy will be streamlined manufacturing, which could result in lower overall turnover. "This company does not want to produce volume and lose money. I am not interested in making 4m units a year unless there is a profit margin. I want flexible manufacturing which can be expanded or changed on short notice," explains the chairman

One lingering problem is Zanussi's 45 per cent stake in Seleco, the consumer electronics maker which was set up as an Italian political project. The venture, which makes 200,000 television sets and other products a year, is a drain on Zanussi resources and Sig Rossignolo says his goal is "to stop it from being a haemorrhage." But Electrolux-Zanussi is constrained by its overall agreement with the Italian Government and trade unions to remain inside Seleco

It will take time, probably at least a year or 18 months, to judge how effective the Electrolux-Rossignolo remedy for Zanussi really is. One thing is certain, however: a programme is being tackled and, after years of uncertainty, Sig Rossignolo and his new managing director at Zanussi, Sig Carlo Verri, are taking a hands-on approach.

UAL in deficit after strike

By Our New York Staff

UAL, the parent of United Airlines, the largest U.S. carrier, was sent plunging deep into loss in the second quarter because of the 29-day strike by its pilots. A net loss of $102.86m by the airline pushed the holding company to a deficit of $97.07m, or $2.79 a share.

In the year-ago quarter, UAL had achieved a profit of $117m, or $3.01 a share, with the airline contributing $101.2m.

The latest setback was slightly eased by a 48 per cent jump in net earnings at UAL's hotels to $11.2m.

Mr Richard Ferris, chairman of UAL, said that the agreement which ended the strike had established pilot wage rates that will produce long-term savings needed by the airline to succeed in a competitive market. Although the airline had returned to near-normal flight schedules and is working to regain market share, efforts to recoup profits will be challenged by the intense price competition and somewhat softer economy.

He pointed out that the strike had eliminated the momentum needed to take full advantage of the peak summer travel season.

For the first half, UAL turned in a loss of $103.79m, or $2.98, compared with a profit of $136.5m or $3.42 a share, last time when it was halfway through what was to be its best year since 1978.

Group operating revenues in the latest quarter slid to $1.19bn from $1.82bn, leaving the halftime total down at $2.78m, from $3.47m.

Fermenta sees higher earnings

By Kevin Done in Stockholm

FERMENTA, the Swedish antibiotics and biotechnology group, has raised its profits forecast for 1985 to SKr 300m ($35.53m), an increase of some 11 per cent from the earlier forecast of SKr 270m–SKr 280m and an increase of 268 per cent over 1984.

The group, which has been growing fast through a series of acquisitions in Europe and the U.S., achieved profits (before tax and extraordinary items) of SKr 81.6m last year on sales of SKr 448.6m. Group turnover is expected to quadruple this year to around SKr 1.4bn.

The new profits forecast could help to rekindle interest in the group from international investors, who gave a lukewarm response to last week's SKr 210m share issue in the London capital market.

Some of the co-managers of the issue – led by Svenska International, the London subsidiary of Svenska Handelsbanken – failed last week to place their allocation of shares. Six of the 10-strong management group were either wholly or partly Swedish-owned institutions, and the group had less international flavour than had been hoped.

Fermenta is maintaining the hectic pace of its international expansion and announced plans yesterday for the takeover of a fermentation company in Brazil, its first move into South America.

MAN set to return to the black

By Jonathan Carr in Frankfurt

*MASCHINENFABRIK Augsburg-*Nürnberg (MAN), the West German truck maker and engineering group, broke even in the year to June 30 after a long period of heavy losses and expects to be well in the black in 1985-86.

MAN directors said the improved results came from the normal run of business, and do not include the extraordinary earnings from the recent sale of its 50 per cent stake in the MTU engines company.

MAN, which is owned by the GHH engineering group, said most of the proceeds from the sale of the MTU share would go to bolster reserves. It was also proposed to pay a 4 per cent dividend for 1984-85.

The exact sum realised from the MTU sale to Daimler-Benz has not been officially revealed, but is understood to be in the region of DM 500m ($176.6m).

MAN has dragged itself back into the black after net losses reaching a combined DM 260.2m in the two previous years, due to a tough reorganisation and rationalisation programme.

Production has been concentrated at fewer facilities and the workforce has been cut sharply. MAN employs just under 30,000 people in the parent company and less than 43,000 in the group.

GM profit falls 28% despite sales rise

By Paul Taylor in New York

GENERAL MOTORS, the worlds largest car maker has reported a sharp 28 per cent decline in second-quarter net earnings to $1.16bn – despite a 14.5 per cent increase in factory unit sales and a 14.8 per cent rise in total revenues to $24.8bn.

Wall Street had been expecting a poor year-on-year earnings comparison because of the costs of new models and plant and other strategic investments the company has been making, but the decline was somewhat larger than expected.

GM's second-qurter net earnings, equivalent to $3.52 a share, compare with net earnings of $1.609bn or $5.09 a share in the 1984 second quarter when revenues totalled $21.88bn.

The latest results mean first-half net earnings fell by 31 per cent to $2,23bn or $8.78 a share on revenues of $48.71bn compared with net earnings of $3.22bn or $10.20 a share on revenues of $44.47bn a year earlier.

IU Int hit by losses at truck unit

By Our New York Staff

IU INTERNATIONAL, the Philadelphia-based trucking, waste-management and agribusiness group, has suffered a second-quarter net loss of $33.7m, or $1.25 a share, due largely to its troubled truck subsidiary.

The loss, which exceeded earlier estimates, compared with a profit of $10.57m, or 30 cents in the year-ago period and a loss of $9.9m in the preceding quarter.

Mr John Gilray Christy, chairman, said that without the Ryder/PIE truck offshoot, which the group plans to spin off, IU would have shown a modest pre-tax profit.

Total shipments and revenues have been substantially cut at Ryder, mostly because of a decision to forgo marginal short-haul freight business, but there was also some loss of share in the long-haul market.

For the first half, IU's loss emerged at $43.62m, or $1.62 a share, against a profit of $12.47m, or 45 cents.

Gencor unit lifts payout

By Kenneth Marston in London

THE South African Gencor group's Trans-Natal Coal subsidiary is raising its final dividend for the year to June 30 to 35 cents (18 U.S. cents). The total for the year is thus brought to 65 cents against 60 cents for 1983-84.

The Canadian Cominco's 62.5 per cent-owned Vestgron Mines, which operates the Arctic lead-zinc-silver Black Angel mine in Greenland, reports first-half earnings of C$200,000 (U.S.$142,800), or 4 cents per share. This compares with a loss of C$2.8m in the same period of last year.

During the second quarter of this year, 40,800 tonnes of zinc concentrates and 7,600 tonnes of lead concentrates were shipped. A year ago, a scheduled shipment of 36,600 tonnes of zinc concentrates and 14,400 tonnes of lead concentrates was delayed until the first week of July by adverse ice conditions. Vestgron has declared a dividend of 15 cents, payable on August 29.

Du Pont cites strong dollar and weak economy after 39% slide

BY CHRIS CAMERON-JONES IN NEW YORK

DU PONT, the U.S. chemicals group, suffered a 39 per cent slide in net earnings and a 6 per cent dip in sales for the second quarter because of continued weakness in the country's industrial economy and the effects of the strong dollar.

Income was down from a record $437m or $1.81 a share, to $268m, or $1.10. This was, however, an improvement on the preceding quarter, when unusual charges of 66 cents a share left reported earnings at only 26 cents.

Analysts were already forecasting a lower outturn for 1985, but the quarter was below expectations and Du Pont shares fell $⅝ to $59⅜ in early trading.

Mr Edward Jefferson, the chairman, said the company expected a somewhat stronger second half, based on expected improvement in fibres results and savings from the early retirement programme completed in April. But he added that a *significant improvement would depend* on the economy and exchange rates.

Profit for the half year was down from $810m or $3.36, to $332m, or $1.36, on sales more than $1.5bn lower at $16.79bn. Turnover for the latest quarter was $8.53bn, against $9.12bn previously.

Net operating income declined in all sectors except petroleum refining, marketing and transport, where there was a $32m rise to $80m. In the diversified industrial and speciality businesses there was a 53 per cent decline, with chemicals diving to $21m, from $79m a year ago, fibres down at $45m, from $86m, polymer products at $35m, from $69m, and a $15m fall to $45m in industrial and consumer products.

Biomedical products earnings plunged to $4m from $22m because of a fall in demand for drugs and lower prices for X-ray equipment.

Du Pont is among the top U.S. exporters. It estimates that, had the dollar maintained its early 1984 value, group earnings would have been a third higher for latest two quarters.

Tenneco's prospects improve in quarter

By William Hall in New York

TENNECO, the U.S. conglomerate that has been the subject of takeover speculation because of the depressed nature of some of its energy and farm-related businesses, appears to be nearing the end of its recent sharp profits slide.

The group yesterday reported second-quarter net income of $164m – down on last year's $220m, but the highest quarterly earnings since midway last year.

Last year's $1.45 a share earnings in the second quarter were inflated by 26 cents of special gains, partly reflecting the sale of a chemical facility. When that is stripped out, the second-quarter earnings of $1.03 are down 13.4 per cent.

Tenneco bought International Harvester's farm equipment operations early this year and merged them with its own J. I. Case agricultural equipment operations. Case lost money in the early part of the year but was profitable in May and June, and the company is "confident" that the Case-Harvester operation will be profitable in the fourth quarter of 1985.

Sun Company, the Pennsylvania-based energy group, yesterday reported a 7 per cent rise in second-quarter net income to $146m. Its results were helped by a sharp turnround in its downstream oil refining and marketing operations, which produced a $56m profit compared with a $7m loss in last year's second quarter.

Mesa Petroleum, the master company for corporate raider Mr T. Boone Pickens, earned $95.3m or $1.39 a share in the second quarter. That includes $83m or $1.23 a share in after-tax gains from the partial disposal of shares in Unocal,

Bull on target with break-even result

BY PAUL BETTS IN PARIS

BULL, the French nationalised computer group, managed to break even in the first half of this year after losing FFr 258m ($29m) in the first half of last year and FFr 489m for all of 1984.

The break-even result appears to accelerate the recovery of the group, which has been aiming to make clear profits in 1986. Bull has undergone restructuring since losing FFr 1.35bn in 1982 and FFr 625m in 1983.

Barring unforeseeable events, the computer group expects to break even for the whole of this year. The recovery is good news for the French Government, which has been insisting that most large nationalised groups, except the Renault car company and the steel sector, return to the black by this year or at the latest by next year.

Other success stories in the nationalised sector include the Thomson electronics group, which managed to cut its losses last year; Pechiney, the aluminium group; and Rhône Poulenc, the chemicals concern, which have both already returned to profit.

Bull's group sales in the first half had grown by 25 per cent compared with the same period last year, to FFr 7.4bn. But the company said the figure was misleading because it included the restructuring of the commercial networks of a number of subsidiaries, including CII Honeywell Bull, Bull Sems, Bull Transac and Bull Micral. The company is expecting group sales to increase by about the same 17 per cent level at last year, when they totalled FFr 13.6bn.

Separately, Cap Gemini Sogeti, the leading French computing services company, has reported a 26.8 per cent rise in first-half sales to FFr 1.026bn from FFr 809m. The company said group operating income rose 28 per cent in the period.

AT&T-Philips venture in red for first year

BY LAURA RAUN IN AMSTERDAM

AT&T-Philips Telecommunications, the American-Dutch joint venture, posted a loss of Fl56m ($17.47m) on turnover of Fl 603m in 1984, the first year of operations.

The deficit was primarily attributed to the company's premier product, the 5ESS digital switching system, which was acquired from AT&T and whose high development costs erased an operating profit from overall sales. Transmission equipment, which accounted for half of sales, turned in a profit.

The Hilversum-based company said the results were better than expected when the joint venture was established in December 1983. Mr Karel Hubee, executive vice-president, had earlier said the company hoped to move into the black by next year.

For this year, AT&T-Philips forecast continued pressure on results, including the start up of the 5ESS switching-system factory in the Hague. Transmission activities, however, are seen reporting higher sales and profit and the analogue switching system, which sold better than expected, should contribute positively.

Mr Hubee has previously forecast that turnover would exceed Fl 1bn this year and reach Fl 3bn by 1990. The workforce is to be substantially increased, largely in the development area, to around 5,000

Holderbank in further U.S. expansion

By John Wicks in Zurich

THE SWISS-OWNED Holderbank group has taken over a cement works in Hagerstown, Maryland, through its Canadian affiliate, St Lawrence Cement of Montreal.

The acquisition, which had been heralded at a company press conference in Zurich last month, will cost $63.5m and include a cement handling unit in Baltimore.

The seller is Lone Star Industries, which last year sold a New York State cement works and four terminals to St Lawrence for $30m.

Apart from the U.S. holdings of St Lawrence, the Swiss group also has a stake in Dundee Cement in Dundee, Michigan, and its affiliate Santee Portland Cement, of Holly Hill, South Carolina.

In June, it was stated that the U.S. had priority in Holderbank's international expansion plans.

Goodyear income falls but exceeds forecast

BY OUR NEW YORK STAFF

GOODYEAR TIRE and Rubber reported a 20 per cent decline in second-quarter net earnings, well short of the reduction which the company had earlier predicted.

Income at the world's largest tyre producer fell from $106.6m a year ago to $86.7m, or from $1.02 to 81 cents a share, on sales slightly down at $2.57bn from $2.64bn.

The result reflects lower U.S. demand for private brand replacement tyres, a glut of imports and the effect of the strong dollar on foreign sales, Mr Robert Mercer, chairman and chief executive, explained.

Volume sales of Goodyear replacement tyres edged higher and demand from U.S. car producers remained strong. The automotive products side benefited from strong demand from manufacturers, but markets for chemical products were soft.

"We expect sales of original equipment auto products to remain at high levels as we continue to increase market share in other areas of our business," Mr Mercer said.

For the first half Goodyear's net profit slipped to $173.4m, or $1.62, from $220.4m, or $2.08, on sales of $5.03bn, compared with $5.15bn last time.

The disposal of Celeron's gas pipelines and other assets to Tenneco for $440m cash, which is subject to board approval, will be reflected in the third-quarter figures.

Mr Mercer said the sale enables Goodyear to focus on two very promising areas of the business: oil and gas exploration and production activities, and a crude oil pipeline now under construction.

The first gas from the exploration and production unit was delivered on July 16.

Mitsubishi expands Ecu range

By Alexander Nicoll in London

MITSUBISHI Bank is expanding the range of the European currency unit through an issuance facility for certificates of deposit (CDs), believed to be the first CD facility denominated in Ecus.

The borrower, seeking funds to support its activity in the Ecu loan and bond market, has mandated Chemical Bank International to arrange an Ecu 50m five-year facility. When required, the Japanese bank's London branch would call on a tender panel of up to about 10 banks also active in the Ecu market to bid for three or six-month CDs.

The paper will carry interest at ¼-point below London interbank offered rates (Libor).

It is designed to appeal to the growing number of big players in the Ecu market, which has become quite active in both foreign exchange and deposits. In addition to the rapidly expanding Ecu bond market, there is fledgling business in Ecu CDs.

EUROBONDS

Market swallows Heinz offering

BY MAGGIE URRY IN LONDON

H. J. HEINZ took a tin-opener to the Euro-Australian dollar market and pulled out A$37.5m through a five-year issue, said by traders to be very successful. The name, known to "a million housewives every day" – and the important retail investors in Europe, ensured a good reception for the deal.

Although some dealers said the terms were "saucy," offering the lowest issue yield in the sector since January 1979 with a coupon of 12¼ per cent and issue price of 100½ meaning a 11.99 per cent yield, the bonds were trading at a discount of only ¼ point compared with fees of 2 per cent. Lead manager for the deal is Orion Royal Bank with Commerzbank as co-lead.

The proceeds will not be swapped but will be used by Heinz for its Australian operations.

Later in the day Morgan Guaranty made its debut as a book runner in the Australian dollar sector with a A$50m issue for SBSA Finance, which is indirectly owned by State Bank of South Australia, itself owned by the state. This, too, was not swap-driven, and terms looked generous at a 13 per cent coupon and par issue price for the three year bonds giving a yield 15 basis points above Australian Treasury paper. Some dealers argued that investors prefer longer maturities, but the issue was quoted within its 1½ per cent commission.

Late in the day, Goldman Sachs launched a £50m Eurosterling issue for Crédit Lyonnais. This matures in January 1994 and pays a 10⅜ per cent coupon. Issue price is 100¼ and fees are 2 per cent to give a yield close to UK government bonds. It came too late to trade actively.

With the Eurodollar market still virtually closed, although slightly firmer yesterday, only a special deal has any chance of success. Swiss Bank Corporation International had just such an issue yesterday – a $50m convertible for one of the fastest-growing U.S. companies, The Limited, which sells women's clothing through stores and mail order catalogues.

The bonds have a 15-year life and are issued at par. The coupon was indicated at 6¼ to 6½ per cent, while the conversion premium is expected to be in the 20 to 24 per cent range. Investors have a put option after five years to give a yield of 9½ per cent in case the share price's strong performance should falter. The issue was trading around 102.

The holiday mood is well set in Switzerland and the foreign bond market had a quiet day with prices unchanged.

Banque Paribas (Suisse) announced a SwFr 100m five-year private placement for Denki Kagaku Kogyo, a Japanese electrochemical company, with equity warrants.

The D-Mark bond market saw mainly professional trading yesterday with good interest in recent issues. The ECSC 7 per cent 1995 bonds, launched earlier this month, gained ½ point to 100¼.

Singapore plans to widen role of financial markets

BY CHRIS SHERWELL IN SINGAPORE

SINGAPORE'S POWERFUL banking authorities have decided to widen the tiny domestic bond market, an historic move which will transform the way the Government funds itself and will alter the country's savings and investment patterns.

In a separate development, the Monetary Authority of Singapore (MAS) has ordered the redrafting of controversial legislative proposals which would have tightened regulations of the local security industry.

The two moves, privately disclosed in the last week, have excited Singapore's financial community because they promise major developments for the country as an international financial centre.

The plan to widen the Singapore dollar bond market was unveiled by MAS officials at an unusual meeting last week with representatives from commercial banks, merchant banks, finance companies, discount houses, stock exchange members, and insurance companies.

Currently when the Government needs to borrow money it issues bonds to the Central Provident Fund (CPF), which manages a compulsory savings scheme for all Singapore employees, and to the preferentially treated Post Office Savings Bank (POSB), which captures a large proportion of voluntary savings.

This system, while ingeniously funding the past development of Singapore's infrastructure, has stifled the growth of a domestic bond market. Critics now say the scheme has outlived its usefulness and that the Government ought to compete in the market for the funds it needs.

It appears that this will now happen, once the Cabinet has confirmed the change. Decisions will also be necessary on what happens to Government debts already held by the CPF, the POSB and other financial institutions.

How CPS funds will be managed in future remains unclear, but the prospect that they might be used differently has stimulated additional hopes that some might be managed privately. This could in turn provide the basis for a growth in fund management in Singapore, which is seen as a key component of the country's future growth as a financial centre.

The separate decision to redraft the proposed Securities Industry Bill follows complaints last month from stockbroking firms over plans to increase MAS surveillance of the whole securities industry. Bankers also voiced their concern.

Fujitsu revises forecasts downwards

By Yoko Shibata in Tokyo

FUJITSU, Japan's leading computer and electronics group, has revised downwards its *earnings* forecast for 1984-85, proving it is not immune from the current semiconductor industry recession.

Fujitsu now expects to suffer its first double-digit profit decline in five years in the year to March 1986, due to a sharp fall in the price of memory integration circuits, one of the company's main products. Group pre-tax profits are expected to fall by 15.7 per cent to Y130bn ($546m) compared with the initial projection of a 15 per cent profit gain. Net profits are also expected to fall, by 11.8 per cent to Y78.5bn, on sales of Y1,823bn.

The revised forecasts were made as Fujitsu announced its group results for 1984-85. Net profits increased by a substantial 33.5 per cent to Y89.03bn, on sales of Y1,562.26bn, up 29 per cent from the previous year. Net profits per share were Y68.51, compared with Y59.41.

● Weak sales of video cassette recorder (VCR) tapes have led TDK, the world's largest maker of ferrite and magnetic tapes to report group net profits ahead by only 9.6 per cent to Y16.5bn in the first half year to May on sales 8.6 per cent higher at Y211.84bn. Earnings per share were Y274.2 against Y250.22. The company has also revised downwards its forecasts of full-year parent company results.

The value of sales by the magnetic recording tapes division increased by only 1.3 per cent to account for 43.7 per *cent of the total*. The volume of VCR tapes increased considerably, but stiff competition led to price cuts of 15 per cent.

Electronic materials and components sales increased by 15.2 per cent by value to account for 22.7 per cent of turnover.

Parent company sales rose by 7.7 per cent to Y184.74bn, pre-tax profits by 11.3 per cent to Y31.31bn, and net profits by 10.1 per cent to Y15.18bn.

For the full year, TDK had hoped to report pre-tax profits and net profits of Y69bn and Y33bn, respectively, on sales of Y410bn. It now estimates pre-tax profits and net profits at Y63.5bn and Y30.5bn on sales of Y390bn.

The dividend total remains unchanged at Y40 per share.

Reduced profits for state sector

SINGAPORE'S 58 state sector companies, which in scale outstrip both the private sector and foreign multinationals, mostly suffered reduced profits—and in some cases severe losses—in the year to March, according to figures given to Parliament by the Government yesterday, writes Chris Sherwell.

The companies — managed along commercial lines and covering manufacturing, trading, petrochemicals, shipbuilding and financial services among other activities—have contributed significantly to the island state's development. The Government itself now has plans to privatise some of its holdings, starting with Singapore International Airlines, the national flag-carrier.

The biggest and most important company is Temasek Holdings, and its net profits were more than halved from S$226.2m to S$104.9m (U.S.$47.6m) in 1984. The two other main holding companies —Sheng-Li Holdings and MND Holdings—showed smaller falls to S$79.5m from S$94.4m and to S$41.3m from S$52.2m respectively.

Allied Ordnance Company, which is 60 per cent Government-owned, yielded a S$2.3m profit against S$1.3m, while others to improve were the 100 per cent-owned Singapore Pools, with S$18.8m and Singapore Food Industry, with S$1.76m.

The biggest loss-makers were involved in the petrochemicals industry, widely judged to be a White Elephant. The biggest loss, almost S$16m, was by the Petrochemical Corporation of Singapore, which is 47.5 per cent government-owned.

Bombay SE restrains share price rises

BY R. C. MURTHY IN BOMBAY

THE BOMBAY Stock Exchange, India's largest, imposed on Tuesday its stiffest ever restriction, short of suspending trading, to restrain a runaway rise in share prices.

Brokers now have to deposit with the BSE 40 per cent of their daily turnover in all share purchases. Share sales have been made exempt. Shares of 1,600 companies are traded on the exchange.

The move follows an unprecedented 20 per cent rise in share values over the past week fuelled by prospects of a good harvest.

The rise was triggered by the 1985-86 budget, the first presented by the Rajiv Gandhi government in mid-March. The All India Share Index of the Economic Times jumped by some 180 points from 311.3 the day before the budget.

The stock exchange tried several measures to curb speculation. It suspended trading in shares of the 55 most actively traded companies and margins of 25 per cent were imposed on trading in shares daily identified as highly volatile.

The increase in activity on India's stock exchanges since the budget has been attributed to a burst of speculative and investor interest in shares.

Following an easing of restrictions on the corporate sector and subsequent good corporate results, Tata Iron and Steel Company led the way with a four prcentage point increase in its dividend to 21 per cent for the year to March

The Economic Times index touched an all time high of 492.2 points on Monday. The 40 per cent margin brought share values down on Tuesday.

INTERNATIONAL COMPANIES and FINANCE

Commodore unveils Amiga computer

BY PAUL TAYLOR IN NEW YORK

COMMODORE International, the once high-flying home computer group, has announced its long awaited Amiga machine – a sophisticated home computer with dazzling colour graphics and stereo sound, which will sell, in its basic version, for $1,285.

The Amiga's success is seen as crucial for Commodore in its attempts to stem recent losses, including a $20.8m deficit in the March quarter. But the introduction of the new machine, one of the few new home computers introduced since IBM brought out its ill-fated IBM PC Jr, is also seen as a key test for the troubled U.S. personal computer industry.

The new computer also represents a significant change in strategy for Commodore, which has aimed most of its products, like the highly successful Commodore 64, which sells for about $200, at the cut-throat, low-price end of the home computer market. In offering the Amiga with a basic price tag of over $1,000, Commodore is positioning it in direct competition with products from other companies such as IBM and Apple Computer.

In particular, the new system combines and enhances many of the features found on Apple's 18-month-old MacIntosh computer, while an extra option will allow it to run IBM PC-compatible programmes, including many of the best known business software packages.

American Express in flat second quarter

BY OUR NEW YORK STAFF

AMERICAN EXPRESS, the U.S. financial services group, reported flat second-quarter earnings of $140m or 61 cents a share against $138.7m or 64 cents in the same period of 1984. Revenues grew by 21 per cent to $3.82bn from $3.15bn.

First-half net earnings grew by 14 per cent to $292m or $1.28 a share from $255m or $1.18 a year earlier on revenues which were 20 per cent higher at $7.3bn.

The group's results were announced on Tuesday when American Express also disclosed a further $187m addition to loss reserves at its troubled Fireman's Fund insurance business.

It also brought in Mr John Byrne, chairman and chief executive at Geico, the U.S. motor insurance group to head the Fireman's Fund insurance holding company.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for July 24.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amex Credit 10⅞ 90	100	101⅜	101⅞	+0¼	−0⅜	10.41
Amex Credit 12⅝ 88	150	105¾	106¼	+0¼	−0¼	10.30
Atlant Richfld 10¼ 00	250	92⅝	93⅛	0	−2⅛	11.25
Bank of Tokyo 13⅝ 91	100	111⅞	112⅜	+0¼	−0⅜	10.74
BP Capital 11⅛ 92	150	101⅝	101⅞	0	−0⅞	10.73
Canada 11½ 90	500	104⅝	105⅛	+0¼	−0⅞	10.19
Canadian Pac 10¾ 93	100	100¼	100¾	−0⅛	−1⅝	10.64
Canadian Pac 12½ 99	75	107	107½	+0¼	−1¼	11.43
CBS Inc 11⅞ 92	100	101⅝	102⅛	+0¼	−0⅝	10.96
Chevron U.S.A. 12¼ 89	600	104	104½	+0¼	−0¾	10.91
Citicorp 11½ 95	150	100⅛	100⅝	0	−1½	11.42
Coca Cola 11¾ 91	100	105⅝	106⅛	+0¼	−1⅛	10.40
Denmark Kingdom 11¼ 89	100	102¼	102¾	+0⅜	−0⅝	10.39
Denmark Kingdom 11½ 90	100	103¼	103¾	−0⅛	−1⅛	10.51
Denmark Kingdom 11½ 92	100	102⅛	102⅝	+0⅞	−1½	10.95
Denmark Kingdom 13¼ 91	100	109	109½	−0⅛	−1⅞	11.08
E.E.C. 11⅛ 90	100	102¼	102¾	+0¼	−1⅛	10.36
E.I.B. 12 95	200	105¾	106¼	+0⅛	−1¾	10.95
E.I.B. 13 96	200	109½	110	0	−1	11.40
Export Dev Corp 10 90	100	98⅝	99⅛	+0¼	−1⅛	10.28
Export Dev Corp 12 89	100	105⅛	105⅝	0	−1⅜	10.34
Ford Motor Cred 11⅝ 90	100	101½	102	+0¼	−0⅝	10.83
Ford Motor Cred 11⅝ 95	100	100⅜	100⅞	−0¼	−1½	11.49
Ford Motor Cred 11¾ 92	100	102	102½	+0¼	−1	11.23
Ford Motor Cred 12 95	100	103⅜	103⅞	+0¼	−1¼	11.33
Gen Elec Credit 10¼ 90	200	100	100½	+0½	−0¾	10.21
GMAC 10¼ 89	200	99⅞	100⅜	+0⅛	−1⅛	10.19
IBM Credit 10⅝ 2000	300	100⅜	100⅞	+0⅛	−1⅛	10.27
Indust Bk Japan 12⅞ 89	100	†107½	108	−0⅛	−1	10.47
Japan Air Lines 13⅝ 94	100	117¼	117¾	+0⅛	−1⅜	10.30
Kellogg Company 10⅞ 90	100	100⅞	101⅜	0	−1⅛	10.51
Kellogg Company 11¼ 92	100	102	102½	+0¼	−1⅛	10.72
L.T.C.B. 12⅞ 91	100	106⅜	106⅞	+0¼	−1⅛	10.88
Macy Cred Corp 11¾ 95	100	103⅛	103⅝	+0⅜	−1½	11.13
Mellon Bank 13 87	100	105⅛	105⅝	+0⅛	−0⅜	10.01
Merrill Lynch 12¼ 89	100	104¾	105¼	+0⅞	−0½	11.16
Minnesota 11½ 87	100	103	103½	0	−0½	9.76
Mitsui Trust 11⅝ 90	100	102⅜	102⅞	0	−1¼	10.90
Morgan Guaranty 12⅜ 89	150	105½	106	+0⅛	−0⅞	10.58
Nth America 12⅞ 91	100	†105	105½	+0⅛	−1½	11.39
Penney J.C. 12¼ 91	100	106⅞	107⅜	+0¼	−0⅞	11.07
Pru Realty secs 12⅛ 95	546	106	106½	+0⅜	−1	11.80
Qantas Airways 10⅝ 95	140	97⅝	98⅛	−0⅛	0	10.73
Quebec Hydro 11½ 92	100	†103	103½	+1⅜	−0⅜	10.81
Ralston Purina 11¾ 95	150	102⅝	103⅛	0	−1⅝	11.23
Ralston Purina 12¼ 89	100	106¼	106¾	+0¼	−1⅛	10.72
Royal Bk Can 12¾ 92 XW	100	102¼	103	+0¼	−0⅝	12.19
Saskatchewan 10¾ 92	100	100¼	100¾	+0⅛	−1¼	10.61
Saskatchewan 11⅞ 89	100	104¼	104¾	+0¼	−1⅞	10.49
S Wales Trsy 11¾ 90	150	104½	105	+0¼	−0⅜	10.41
Swed Exp Cred 10 92	100	96½	97¼	+0¼	−1¼	10.65
Swed Exp Cred 12¼ 89XW	100	105¾	106¼	0	−1⅛	10.85
Sweden Kingdom 10⅞ 90	200	101⅛	101⅝	0	−0⅞	10.47
Sweden Kingdom 11½ 89	200	103¼	103¾	−0¼	−0¾	10.42
Sweden Kingdom 11¾ 94	100	104⅛	104⅝	+0¼	−1⅝	10.96
Tenneco Corp 10¾ 95	150	99⅜	99⅞	+0⅜	0	10.80
Texaco Capital 12⅞ 87	300	105	105½	0	−1	9.95
Tokai Asia 11½ 95	100	102⅜	102⅞	+0¼	−1⅛	11.04
Victorian Rep 11⅝ 92	150	103⅛	103⅝	+0¼	−0¾	10.87
World Bank 12¼ 94	150	107½	108	0	−1¼	10.86
World Bank 12⅝ 94	200	107⅛	107⅝	−3⅜	−5½	11.51

Average price change On day +0⅛ on week −1⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev Bank 8 94	200	105⅛	105⅞	+0¼	+1	7.15
Austria Republic 7⅝ 94	200	104	104¾	0	+0½	6.93
Baxter Travenol 7¼ 94	200	101⅞	102⅝	+0⅛	+0¾	6.88
Credit National 8⅛ 94	200	105⅝	106⅜	+0⅛	+0½	7.15
Degussa Int Fin 7½ 94	100	103⅝	104⅜	+0⅜	+0⅜	6.85
E.E.C. 8 92	200	104⅜	105⅛	+0⅛	+1⅛	7.06
E.I.B. 7¼ 94	300	101½	102¼	+0⅛	+0½	6.96
Escom 8 92	150	94½	95¼	−2¾	−4⅝	9.04
Ferrovie Dello Stato 8 91	100	103⅜	104⅛	+0¼	+0½	7.16
Finland Republic 7 92	200	100½	101¼	0	+0⅜	6.82
Gould Int Fin 7⅝ 91	100	103⅜	104⅛	+0⅞	+0½	6.87
Ireland 8⅛ 92	150	105⅜	106⅛	+0⅜	+1	7.03
Japan Fin Corp 7⅝ 91	100	104⅛	104⅞	0	+0⅝	6.68
Mitsubishi Hvy 3½ 89WW	300	127⅜	128⅛	+0⅜	+1½	−3.43
Mitsubishi Hvy 3½ 89XW	300	91⅛	91⅞	0	+0¼	6.14
Mitsubishi Met 3⅛ 89WW	100	103¼	104	−0⅜	+3⅜	2.25
Mitsubishi Met 3¼ 89XW	100	88	88¾	+0⅛	+0⅛	6.22
Pepsico O/S Fin 7¼ 94	250	103¾	104½	+0½	+0⅜	6.60
Quebec Hydro 7⅝ 95	200	101⅝	102⅜	+0⅛	+0¼	6.84
Renfe 7⅞ 95	100	102½	103¼	+0⅜	+1	7.32
Renown 3⅛ 90	80	106	106¾	0	+1⅝	1.76
Societe Cent Nucleair 8 91	100	105½	106¼	0	0	6.76
Sth African Tran 7⅝ 92	100	93½	94¼	−1¾	−2⅝	8.78
World Bank 7¾ 89	100	103	104	+0⅛	+0¼	6.59
World Bank 8 94	200	105⅞	106⅝	+0⅛	+0¾	6.80

Average price change On day 0 on week +0½

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
African Dev Bk 6¼ 94	100	†101½	101¾	−0¼	+0¼	6.01
Avon Cap Corp 5⅝ 94	130	†99¼	99½	+0¼	+0⅜	5.46
Brit land Comp 6½ 99	75	†103	103¼	−0¼	0	6.16
Council of Europe 6 92	120	†102¼	102½	+0¼	+0¾	5.59
Creditanstalt 5½ 94	100	†98¼	98½	−0¼	0	5.72
Deutsche Bk Fin 5⅝ 95	100	†101	101¼	+0½	+0¼	5.22
E.I.B. 5⅞ 94	120	†100¾	101	−0¼	−0¼	5.75
Export Dev Corp 5⅝ 92	125	†100¼	100½	+0¼	+0¼	5.31
Gen Occidentale 4½ 94	80	†100¼	100½	−2¼	−2½	4.45
I C Industries 5⅝ 94	125	†99¾	100	−0¼	−0½	5.64
Ind Fund Fin 5¾ 94	40	†100	100¼	0	−0½	5.73
Int-Am Dev Bk 6⅛ 94	120	†102¼	102½	−0¼	+1¼	5.78
N.Zealand steel 5¾ 96	70	†99	99¼	+0¾	+0¾	5.85
Oberos Kltwk 5⅝ 95	100	98⅛	98⅜	−0⅛	−0⅛	5.81
Ralston Purina 5⅝ 94	125	†100¼	100½	+0½	−0¼	5.32
Santos Finance Ltd 6 94	130	†98¾	99	0	0	6.16
Tokyo Elec Pwr 5½ 93	120	†*100	100¼	0	0	5.47
Tokyo Metropolis 5¼ 94	80	†*98½	98¾	−0¼	−0¼	5.44
World Bk 5¾ 94	150	†100¾	101½	0	−0¼	5.59

Average price change On day 0 on week 0

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Finland Republic 6¾ 90	15	100	100½	0	0	6.68
Goyr Tr & Rubber 7⅛ 95	25	99⅛	99⅝	0	−0⅛	7.21
Mort Bk Denmark 7 92	10	100½	101	0	−0⅛	6.85
New Brunswick 7⅛ 95	10	101⅜	101⅞	0	+0⅛	6.90
World Bank 6⅝ 90	25	100⅛	100⅝	0	+0⅛	6.52

Average price change On day 0 on week 0

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia Com 12⅞ 90SA	125	102¼	103	+0¼	+0½	12.14
Citicorp Aust 13½ 88SA	40	100⅞	101⅝	−0⅜	−0¼	12.95
CSR Finance 13¼ 90 SA	40	101⅜	102⅛	−0⅛	0	12.74
Nissho Iwai 13¼ 90 SA	30	99¾	100½	−0⅛	−0⅛	13.20
Amex 10¾ 90 CS	50	†100¼	100¾	+0⅜	+0¼	10.60
Genstar Fin 11¾ 95 CS	75	†96⅛	96⅝	−0½	−0⅞	12.40
Hamil-Went'th 10¾ 95CS	25	†96	96½	−0⅛	−0⅜	11.40
Loblaw Cos 11⅝ 92 CS	50	†99⅜	99⅞	−3⅝	−0⅝	11.69
New Brunswick 11⅝ 95CS	75	†100¼	100¾	−1¼	−2	11.52
Shell Canada 11¼ 92 CS	75	†99½	100	−1⅛	−2	11.30
Winnipeg City 10¾ 90CS	50	†98½	99	−0⅛	−0½	10.96
BP Capital 16 88 NS	50	†101½	102½	+0½	+0½	15.12
Danish Ex Fin 16⅛ 90NS	40	†96¾	96¾	−0⅜	−0¼	17.30
KB Ilma 16⅛ 90 NS	50	†98	99	−0⅛	0	16.84
N.Z. Govt. 9¼ 90 ECU	100	104⅛	104⅝	0	0	8.12
N.Z. Govt. 9½ 92 ECU	100	104¼	104¾	−0⅛	+0½	8.60
Rabobank 9⅝ 95 ECU	75	107⅛	107⅝	−0⅛	+0⅜	8.48
Eurobima 7½ 92 FL	50	102⅝	103⅛	+0⅛	−0⅛	6.94
Philips Lamps 7½ 90 FL	100	102¼	102¾	0	0	6.86
Rank Xerox 8 90 FL	100	104½	105	0	−0⅛	6.79
Van Lanschot 7½ 90FL	50	102¼	102¾	+0⅛	0	6.88
World Bank 7½ 90 FL	150	102¼	102¾	0	0	6.86
E.C.S.C. 11¼ 92 FF	300	101⅜	101⅞	0	+0⅛	10.88
Amer Express 11⅝ 92 £	30	103⅝	104⅛	−0⅛	−0⅜	10.51
Australia Comm 11 92 £	40	99¾	100¼	+0¼	0	10.97
BP Capital 10¾ 92 £	50	99⅜	99⅞	+0⅛	+0¼	10.81
E.I.B. 11⅛ 93 £	50	101⅜	101⅞	+0⅛	0	10.78
GMAC UK Fin 10½ 90 £	30	98	98¾	−0⅜	−0⅞	10.93
Imp Chem Inds 11¼ 95 £	75	101½	102	+0⅛	0	10.94
Inco 12¼ 93 £	50	103⅛	103⅝	+0⅜	+0¼	12.00
Mcdonalds 10⅞ 90 £	40	99½	100	0	0	10.91
Privatbanken 11⅞ 92 £	20	99⅞	100⅜	0	−0⅜	11.82
Rank Xerox 11 92 £	40	99½	100	+0⅛	−0⅛	11.03
Royal Trustco 11⅝ 90 £	30	100⅜	100⅞	+0¼	−0⅜	11.16
Ster Drug Cap 10⅞ 90 £	30	99¾	100¼	+0⅛	0	10.84
Tricentrol XW 11 92 £	35	94⅜	94⅞	+0⅛	+0⅛	12.18
Trusthouse Forte 11⅛ 90£	50	99½	100	+0¼	+0⅛	11.16
World Bank 11¼ 95 £	100	102¾	103¼	+0⅛	−0⅛	10.73
E.C.S.C. 10½ 94LF	100	104¾	105¾	+0⅛	−0¼	9.60
Nat Lux Alum 10½ 92 LF	600	105¼	106¼	−0⅛	−0⅜	9.25

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Banco di Roma 5¼ 92	0	99	99¼	24/7	7.56	7.63
BankAmerica O/S 5¼ 96	0⅛	99⅝	100⅛	3/9	8⅛	8.14
Bank of Montreal 5 96	0⅛	100¼	100½	28/7	8¾	8.72
Bankers Trust 5 2000	0	99⅜	99⅝	11/9	7.69	7.73
Bankers Trust 5¼ 96	0¼	100⅛	100⅜	13/8	8.56	8.54
B.F.C.E. 5¼ 99	0⅛	100⅛	100⅜	13/9	10.06	10.04
B.N.P. 5¼ 95 (July)	0¼	99⅛	99⅜	22/7	9⅛	9.19
C.C.F. 5¼ 97	0	99⅜	99⅝	22/8	10⅝	10.68
Chase Man'tn 5 2000	0	99½	99¾	9/8	8⅝	8.66
Chase Man'tn 5¼ 2009	0⅛	99¾	100	5/9	7.81	7.82
Citicorp O/S 5¼ 96 Sep	0⅛	99⅜	99⅝	19/12	11.19	11.24
Credit Lyonnais 5¼ 96	0⅛	100½	100¾	11/10	9.69	9.63
Ireland 5¼ 97	0	100	100¼	26/10	9.88	9.88
Ireland 5¼ 99	0	100⅜	100⅝	14/8	10	9.95
Italy Republic 5 94	0⅛	100	100¼	12/11	8⅞	8.86
Lloyds Bank 5¼ Perp	0¼	99¾	100¼	9/12	8	8.00
Midland Bank Perp 5	0¼	99⅛	99⅜	19/12	8⅛	8.19
Nat West Perp 5	0⅛	100⅜	100⅝	13/11	9⅛	9.08
Nat West Perp A 5¼ S	0¼	99¼	99½	9/1	8¼	8.30
Nat West Perp B 5¼ S	0¼	99¼	99½	9/8	5¼	5.28
Queensland Coal 5¼ 96	0¼	100⅜	100⅝	12/11	9	8.96
Roy Bk Canada 5 2005	0⅛	†99⅜	99⅞	5/8	7⅞	7.90
Roy Bk Scot 5¼ 2005 £	0	†98¾	99⅛	2/8	12.81	13.01
Sweden Perp 5¼	0¼	99⅞	100⅛	9/1	8.31	8.31
Tokai 5¼ 98	0⅛	100¼	100½	12/12	8⅛	8.08

Average price change On day 0 on week −0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 3 99	4/84	1053.64	107½	108½	+2⅜	7.41
Fanuc 3¾ 98	1/84	7032.3	137½	139	−0⅜	34.56
Furusu 3 99	5/84	1320.9	75	76	+0¼	19.60
Kumagai Gumi 3½ 2000	3/85	600	151¾	153	+1	0.48
Marui 3½ 99	7/84	1162	115½	116½	−0½	2.94
Mitsubishi Elec 2⅞ 00	3/85	422	89½	90½	−0⅞	−1.81
Murata 3½ 99	2/84	2351.2	82¼	83¼	+0¾	32.79
Murata 3½ 2000	7/84	2398	81½	82½	+0⅛	34.36
Nippon Elec 2⅞ 2000	1/85	1295	80¼	81¼	+0⅛	18.18
Nippon Oil Co 3 2000	5/85	923	107	108	−0½	3.15
Nippon Oil Co 3¼ 99	3/84	1052	99	100	+0⅛	18.23
Oki Elec Ind 3½ 99	10/84	805	86½	87½	−0⅜	30.44
Orient Leasing 5¼ 98	6/83	2680	†103½	104½	−2⅛	−1.70
Sekisui House 3 99	6/84	612	125	126	+0⅝	10.51
Sony Corp 2 2000	5/85	4578	83	84	+0⅜	1.94
Sumitomo Corp 2⅞ 99	5/84	593	132½	133½	+2⅛	2.74
Taiyo Yuden 3¼ 2000	3/85	1078	†86	87	−0¼	−3.01
Takeda Riken 3¾ 2000	10/84	7663	†*77½	78½	+0½	46.95
Tokyo Sanyo Elec 3½ 99	12/84	772	91¼	92¼	−0½	1.38
Toshiba Ceramics 3 2000	4/85	1734.2	76¾	77¾	−1⅛	5.62
Nippon Oil Co 2⅝ 92 SF	3/84	1052	†107½	108	0	18.56
Nippon Shinpan Co 2 92 SF	3/84	801	†101	101¼	−0⅛	13.02
Asics 5 92 DM	12/83	520	105¼	106¼	+0⅛	29.09
Sum Realty 6¼ 92 DM	2/83	338	†308	309	−2	−3.66

* No information available–previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week – Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date – Date next coupon becomes effective. Spread – Margin above six-month offered rate (†† three month; § above mean rate) for U.S. dollars. C.cpn. – current coupon. Co. yld – current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day – Change on day. Cnv. date – First date for conversion into shares. Cnv. price – Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem – Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

NORTH AMERICAN QUARTERLY RESULTS

COMMONWEALTH EDISON Utility

Second quarter	1985 $	1984 $
Revenue	1.11bn	1.09bn
Net profits	189.7m	168.2m
Net per share	0.85	0.81
Six months		
Revenue	2.31bn	2.28bn
Net profits	385.9m	368.7m
Net per share	1.77	1.78

DOMTAR Chemicals, paper

Second quarter	1985 C$	1984 C$
Revenue	527.5m	522.5m
Net profits	20m	23.5m
Net per share	0.50	0.60
Six months		
Revenue	1.05bn	1.03bn
Net profits	54m	51.3m
Net per share	1.38	1.36

DUN & BRADSTREET Business information

Second quarter	1985 $	1984 $
Revenue	661.2m	586.5m
Net profits	77m	67.2m
Net per share	1.01	0.88
Six months		
Revenue	1.29bn	1.13bn
Net profits	145.3m	128.1m
Net per share	1.91	1.66

FRUEHAUF Trucktrailers, car parts

Second quarter	1985 $	1984 $
Revenue	694.9m	725.1m
Net profits	24.3m	23.8m
Net per share	1.23	1.21
Six months		
Revenue	1.33bn	1.41bn
Net profits	42.2m	41.3m
Net per share	2.13	2.09

GATX Railcar leasing, shipping

Second quarter	1985 $	1984 $
Revenue	213.3m	225.2m
Net profits	8.2m	7.7m
Net per share	0.54	0.49
Six months		
Revenue	406.6m	419.9m
Net profits	17.3m	18.9m
Net per share	1.14	1.23

GILLETTE Toiletries

Second quarter	1985 $	1984 $
Revenue	585.2m	573.9m
Net profits	43.1m	43m
Net per share	1.40	1.40
Six months		
Revenue	1.15bn	1.1bn
Net profits	81.9m	78.3m
Net per share	2.66	2.55

HERCULES Chemicals, plastics

Second quarter	1985 $	1984 $
Revenue	666.8m	662.8m
Net profits	*42m	49.4m
Net per share	*0.75	0.88

HOLIDAY CORP* Hotels

Second quarter	1985 $	1984 $
Revenue	469.2m	553.9m
Net profits	32.2m	34.7m
Net per share	1.16	0.94
Six months		
Revenue	897.5m	858.4m
Net profits	65.9m	60.7m
Net per share	2.24	1.63

* Formerly Holiday Inns

KELLOGG Cereals

Second quarter	1985 $	1984 $
Revenue	713.7m	639.4m
Net profits	62.2m	58.9m
Net per share	1.01	0.78
Six months		
Revenue	1.42bn	1.29bn
Net profits	133.3m	129.7m
Net per share	2.16	1.69

KNIGHT-RIDDER NEWSPAPER Newspaper, TV, books

Second quarter	1985 $	1984 $
Revenue	445.4m	419.3m
Net profits	36.8m	37.6m
Net per share	0.59	0.58
Six months		
Revenue	867.1m	809.8m
Net profits	65.8m	64.5m
Net per share	1.03	0.99

MAPCO Energy

Second quarter	1985 $	1984 $
Revenue	475.2m	515.4m
Net profits	23.1m	19.4m
Net per share	0.77	0.64
Six months		
Revenue	942.3m	1.06bn
Net profits	48.9m	44.7m
Net per share	1.61	1.48

MARSH AND MCLENNAN Insurance broking

Second quarter	1985 $	1984 $
Revenue	332.8m	273.6m
Net profits	40.4m	29m
Net per share	1.11	0.80
Six months		
Revenue	655m	554.8m
Net profits	83.9m	700,000
Net per share	2.31	0.02

MAYTAG White goods

Second quarter	1985 $	1984 $
Revenue	172.3m	158.3m
Net profits	18.6m	15.4m
Net per share	1.37	1.13
Six months		
Revenue	350m	335.6m
Net profits	36.9m	32.4m
Net per share	2.71	2.37

NATIONAL GYPSUM Building materials

Second quarter	1985 $	1984 $
Revenue	443.5m	449.4m
Net profits	35.6m	29.2m
Net per share	2.28	1.88

NAT. MEDICAL ENTERPRISES Hospital management

Fourth quarter	1984-5 $	1983-4 $
Revenue	840.7m	715.2m
Net profits	40.5m	34.4m
Net per share	0.53	0.46
Year		
Revenue	3.03bn	2.55bn
Net profits	149m	123.8m
Net per share	1.98	1.68

PACIFIC GAS & ELECTRIC Utility

Second quarter	1985 $	1984 $
Revenue	2.02bn	1.81bn
Net profits	225.1m	207.8m
Net per share	0.70	0.68
Twelve month		
Revenue	8.3bn	6.9bn
Op. net profits	982.1m	922.9m
Op. net per share	2.61	2.53

PAINE WEBBER Securities dealer

Second quarter	1985 $	1984 $
Revenue	493.7m	877.3m
Net profits	12.5m	†3.9m
Net per share	0.63	†0.25
Six months		
Revenue	1.38bn	1.13bn
Net profits	27.1m	10.3m
Net per share	1.41	0.51

†Loss

PENN CENTRAL Energy eqpt, electronics

Second quarter	1985 $	1984 $
Revenue	613.8m	612.8m
Net profits	26.5m	58.6m
Net per share	0.66	1.22
Six months		
Revenue	1.29bn	1.24bn
Net profits	71.2m	95.4m
Net per share	1.77	1.96

REVCO D.S. Discount drugstores

Fourth quarter	1984-5 $	1983-4 $
Revenue	753m	723m
Net profits	†3m	30m
Net per share	—	0.83
Year		
Revenue	2.4bn	2.2bn
Net profits	39m	93m
Net per share	1.06	2.54

†Loss reflects $35m inventory writedown

ROYAL TRUSTCO Trust company

Second quarter	1985 C$	1984 C$
Revenue	469m	360m
Net profits	32m	22m
Net per share	0.53	0.47
Six months		
Assets (end-June)	12.02bn	10.47bn
Net profit	59m	41m
Net per share	0.99	0.87

SEA-LAND Shipping

Second quarter	1985 $	1984 $
Revenue	415.5m	459.2m
Net profits	16m	27.5m
Net per share	0.68	1.21
Six months		
Revenue	810.1m	877.9m
Net profits	20.4m	40.9m
Net per share	0.87	1.81

STANLEY WORKS Tools, industrial products

Second quarter	1985 $	1984 $
Revenue	311.9m	292.3m
Net profits	19.1m	18.1m
Net per share	0.70	0.65
Six months		
Revenue	585.8m	557.8m
Net profits	33.2m	31.9m
Net per share	1.22	1.14

TEXACO CANADA Energy

Second quarter	1985 C$	1984 C$
Revenue	1.59bn	1.49bn
Net profits	72m	90m
Net per share	0.58	0.72
Six months		
Revenue	3.27bn	3.17bn
Net profits	171m	209m
Net per share	1.39	1.68

U.S. AIR Domestic airline

Second quarter	1985 $	1984 $
Revenue	481m	429.1m
Net profits	49.5m	39m
Net per share	1.64	1.61
Six months		
Revenue	876.5m	801.4m
Net profits	59.5m	57.5m
Net per share	2.08	2.38

UNION CAMP Paper, chemicals

Second quarter	1985 $	1984 $
Revenue	477.6m	507.7m
Net profits	24.7m	51.3m
Net per share	0.51	1.05
Six months		
Revenue	941.3m	988.2m
Net profits	54.5m	93.5m
Net per share	1.12	1.92

ZALE Jewellery retailer

First quarter	1985-86 $	1984-85 $
Revenue	220.1m	222.2m
Net profits	2.4m†	1.75m
Net per share	0.10†	0.15

†Loss

AIBD BOND INDICES

WEEKLY EUROBOND GUIDE JULY 23 1985

	Redemption Yield	Change on Week %	12 Months High	12 Months Low
US Dollar	10.714	0.423	13.603	10.629
Canadian Dollar	11.750	0.363	14.039	11.708
Euroguilder	6.959	−0.422	7.907	6.746
Euro Currency Unit	9.517	−0.617	11.344	9.471
Sterling	10.899	−0.508	12.243	10.809
Deutschemark	7.109	−0.845	8.450	7.109

Bank J. Vontobel & Co Ltd, Zurich - Telex: 812744 JVZ CH

BASE LENDING RATES

A.B.N. Bank	12 %
Allied Dunbar & Co	12 %
Allied Irish Bank	12 %
American Express Bk.	12 %
Henry Ansbacher	12 %
Amro Bank	12 %
Associates Cap. Corp.	13 %
Banco de Bilbao	12 %
Bank Hapoalim	12 %
BCCI	12 %
Bank of Ireland	12 %
Bank of Cyprus	12 %
Bank of India	12 %
Bank of Scotland	12 %
Banque Belge Ltd.	12 %
Barclays Bank	12 %
Beneficial Trust Ltd.	13½%
Brit Bank of Mid. East	12 %
■ Brown Shipley	12 %
CL Bank Nederland	12 %
Canada Permanent	12 %
Cayzer Ltd.	12 %
Cedar Holdings	13 %
■ Charterhouse Japhet	12 %
Choulartons**	
Citibank NA	12 %
Citibank Savings	¶12½%
City Merchants Bank	12 %
Clydesdale Bank	12 %
C. E. Coates & Co. Ltd.	12½%
Comm. Bk. N. East	12 %
Consolidated Credits	12½%
Co-operative Bank	*12 %
The Cyprus Popular Bk	12 %
Duncan Lawrie	12 %
E. T. Trust	13 %
Exeter Trust Ltd.	12½%
First Nat. Fin. Corp.	13½%
First Nat. Secs. Ltd.	13½%
■ Robert Fleming & Co.	12 %
Robert Fraser & Ptns.	13 %
Grindlays Bank	‡12 %
■ Guinness Mahon	12 %
■ Hambros Bank	12 %
Heritable & Gen. Trust	12 %
■ Hill Samuel	§12 %
C. Hoare & Co.	12 %
Hongkong & Shanghai	12 %
Johnson Matthey Bkrs.	12½%
Knowsley & Co. Ltd.	12½%
Lloyds Bank	12 %
Edward Manson & Co.	13 %
Meghraj & Sons Ltd.	12 %
Midland Bank	12 %
■ Morgan Grenfell	12 %
Mount-Credit Corp. Ltd	12 %
National Bk. of Kuwait	12 %
National Girobank	12 %
National Westminster	12 %
Northern Bank Ltd.	12 %
Norwich Gen. Trust	12 %
People's Trust	13 %
PK Finans Intl. (UK)	13 %
Provincial Trust Ltd.	13 %
R. Raphael & Sons	12 %
Roxburghe Guarantee	13 %
Royal Bank of Scotland	12 %
Royal Trust Co. Canada	12 %
■ J. Henry Schroder Wagg	12 %
Standard Chartered	‖12 %
TCB	12 %
Trustee Savings Bank	12 %
United Bank of Kuwait	12 %
United Mizrahi Bank	12 %
Westpac Banking Corp.	12 %
Whiteaway Laidlaw	12½%
Williams & Glyn's	12 %
Yorkshire Bank	12 %

■ Members of the Accepting Houses Committee.
* 7-day deposits 8.75%. 1 month 9.5%. Top Tier—£2,500+ at 3 monthly notice 12%. At call when £10,000+ remains deposited.
‡ Call deposits £1,000 and over 8¾% gross.
‖ 21-days deposits over £1,000 10%.
¶ Mortgage base rate.
**See Provincial Trust Ltd.
§ Demand deposits 8½%.

UK COMPANY NEWS

Pit strike fails to dent Dowty

WITH A 21 per cent increase in pre-tax profits to £44.23m, Dowty Group's result for the 1984-85 year was at the top end of recently revised market expectations.

Along with encouraging prospects for the current year, the announcement was enough to lift the shares 4p on the day to now accounts for one-third of 170p.

The group's mining division, which it was feared had been affected by the year-long strike, performed well, actually increasing its share of overall operating profit. Mr Robert Hunt, the chairman, attributes the improvement to increased business overseas, together with the orders for roof supports in the UK. This helped to mitigate the downturn in spares and conveyors.

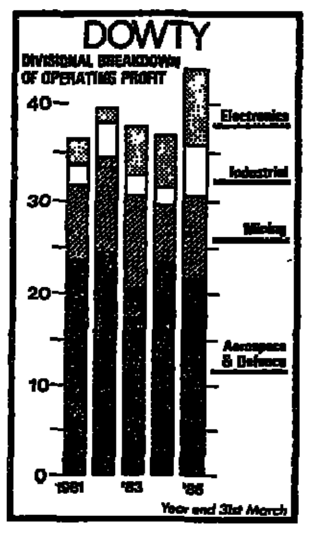
In contrast, the aerospace division suffered in the second half from prolonged industrial relations problems, and saw a decline in operating profit over the year.

There were increased contributions from the two other divisions, electronics and, particularly, industrial. Mr Hunt says that the more satisfactory level of profits from the latter should be sustained.

He adds that the current group order book stands at £453m—30 per cent up on last time—with increases in all divisions. Half of the increase relates to delivery during 1985-86.

Aerospace is now set to expand and improve its level of profitability, but mining orders are unpredictable, and with short lead times, the chairman says it is difficult to forecast sales for the latter part of the current year. Electronics should expand rapidly, enhanced by recent acquisitions and by seeking new overseas markets.

For the period to March 31 1985, over half of the group's total sales of £462.67m (£402.48m) came for the first time from overseas and export, which comprised £260.53m against £217.27m. Exchange rate variations benefited the group to the tune of £1.3m at the pre-tax level.



Profits were also enhanced by the inclusion of results from acquisitions Gresham Lion and Steebek during the year, and the disposal of interests in a related company.

The chairman says that these factors have been more than offset by the "substantial increase" in expenditure on private venture development. Redundancy and closure costs were well down at £2.48m (£5.59m).

Dowty moved into a position of interest received in the year, with £414,000 against a £560,000 charge, but tax was much higher at £16.99m (£9.56m). Attributable earnings came out barely ahead at £27.15m (£26.81m), and the higher total dividend—an unchanged final of 2.8p lifts the total to 5p (4.5p) after the increased interim—left a lower retained profit of £16.83m

The chairman says that finance required for working capital and capital expenditure was more than adequately provided for by funds generated from trading operations. The scale of acquisitions necessitated a modest increase in net borrowing to a total of £12m.

See Lex

Beecham stresses potential in U.S.

SIR Ronald Halstead, chairman of Beecham Group, told the annual meeting yesterday that the most dramatic change during the 1984-85 year was the growth of the group's U.S. business.

Profits in the Americas—primarily the U.S.—increased by 39 per cent, and the region no waccounts for one-third of total group sales and pre-tax profits.

Sir Ronald added: "The U.S. is a large and dynamic market. It is a competitive economy which is relatively free of government restrictions, and is one of our biggest opportunity areas . . . we are well placed to expand in what is the largest market in the world."

He also praised the U.S. system for the approval of new pharmaceutical products, which he said was more "streamlined" than in the UK. "The U.S. Government regards their pharmaceutical industry as an important wealth creator and export earner.

"It would be beneficial to the British economy and job prospects if our Government were as helpful to the British pharmaceutical industry and recognised its great value as an exporter and wealth creator," he said.

In consumer products, the current year had begun well. Last year's major acquisition, British-American Cosmetics, was well on its way to being integrated with existing operations.

In the UK, where the group previously had virtually no cosmetics business, Lentheric and Yardley were performing well, and there was now a firm base capable of significant expansion, both domestically and in export markets.

Burmah £18m expansion into U.S. and Colombia

BY IAN HARGREAVES

Burmah Oil, Britain's oldest oil exploration company, yesterday signalled a major extension of its ambitions by agreeing to pay $25m (£18m) for a series of oil and gas prospects in Colombia and the U.S.

The deal represents Burmah's most ambitious advance in the exploration scene since its glory days in the 1960s when it found the first oil in the UK sector of the North Sea.

Since its financial crisis in the early 1970s, Burmah has been forced to cut back upstream oil activities, but this year has made two other decisive moves: it bought a portfolio of onshore UK acreage from Taylor Woodrow and bid aggressively and successfully in the ninth round of UK licensing.

Mr Lawrence Urquhart, Burmah's managing director, said that by 1986, Burmah would be spending £30m a year on exploration, a 50 per cent increase on the current figure.

He said the company was still looking for additional opportunities, possibly involving expansion into one additional developing country. The aim, he said, was to ensure that upstream oil contributed 25 per cent of Burmah's earnings, with a further 25 per cent from chemicals and 50 per cent from the Castrol subsidiary.

The latest expansion comes through the purchase of Leed Petroleum, a Denver-based independent oil company, from Atlantic Oil and a group of private investors which includes the company's management. Included in the sale is a subsidiary, Leed Colombia, which has a 25 per cent working interest in three areas in the Llanos basin of Colombia covering more than 1m acres.

These areas are relatively untested, although one well in the northern part of the block was suspended as a discovery. The Llanos basin is the site of Occidental's 1983 discovery of an oilfield estimated to contain 1bn barrels of oil. Shell recently bought a 50 per cent stake in this Cano Limon field for $1bn.

Two of the three areas in which Burmah has acquired a stake, Rio Ariporo and Yalea, are shared with Elf Aquitaine and Tenneco and the third, Rio Tame, with Occidental and Shell. In each case, Burmah has a 25 per cent stake.

Leed acquired drilling rights in these areas in 1983, agreeing to a work programme of one well per contract per year over a six-year agreement. Lacking the necessary funds, Leed later sold 75 per cent of its interest, before now selling the remaining interest to Burmah.

The exact price of the takeover has not been stated, but the $26m commitment over five years includes Burmah's share of drilling costs for three wells a year.

Woodhouse & Rixson climbs to £0.5m

Woodhouse & Rixson (Holdings) lifted pre-tax profits from £24,000 to £532,000 in the half year to June 30 1985. The interim dividend is raised from 0.25p to 1p net and a similar final is forecast, which would produce a total for the year doubled at 2p per share.

Based on the excellent start, the directors remain confident that 1985 will be a year of further substantial progress—last year, the company made £262,000 pre-tax. However, shareholders are reminded that due to the incidence of holidays, there are two less working weeks in the second half.

Sales increased from £4.57m to £5.49m. Turnover of the continuing businesses—ring-rolling, open and closed die forging and spring making—showed a comparable increase from £4.19m to £5.49m, a 31 per cent rise.

The directors say this encouraging performance reflects a more widely spread customer base and a reduced break-even point, stemming from the plans implemented since mid-1984 and referred to last March in the company's annual report.

Since that date, and as part of the company's ongoing plans, a Wagner ring mill has been purchased to replace the existing ring-rolling plant at Faraday Road, as was announced at the time of the AGM. The company has also improved its open die forging capability by acquiring an 800 tonne press together with an attendant manipulator. These purchases have been made at very beneficial prices, the directors state.

The directors say the actions taken will increase capacity, capability and improve operating efficiencies, and will provide the company with a solid foundation for the medium-term future.

The mill is in the course of installation and is due to be commissioned in September while the press is anticipated for commission in early 1986. The potential earnings benefits therefore should start later in the current year and continue thereafter.

Shareholders are told that much of the cost, inclusive of removal, refurbishment and installation, has already been incurred. This amounts to £250,000 out of the total project costs of £445,000. In spite of these expenditures, net borrowings have reduced.

● comment

Woodhouse and Rixson has made more in its first half than some expected it to make over the year so it was hardly surprising to see the shares put on 4½p to 36p. One could be forgiven for wondering whether it was more tran eagerness to spread the glad tidings that led the group to get its interim result out so promptly: Virani Group (UK), Mr Nazmu Virani's hotel, leisure and property group, has built up its shareholding in Woodhouse to 14.3 per cent and there must have been a certain amount of resentment at seeing it picking up the stock on the cheap. Rightly so: Woodhouse is on course for an excellent year now that it has divested itself of its loss-making off-shoots. There is an element of uncertainty over the full year figures because the group's biggest markets—the oil, aerospace and defence industries—tend to be fickle and Woodhouse's order book is only about six weeks long. Nevertheless £1m looks likely, putting the shares on a prospective p/e ratio of 5 after a 31 per cent tax charge. Mr Virani says a bid is not in the offing but the shares would merit a higher rating on the group's performance alone.

Allied Textile advances 14%

Allied Textile Companies raised pre-tax profits by 14 per cent from £1.6m to £1.83m in the half-year to March 31 1985, on a slightly lower turnover of £15.01m, against £15.19m.

The results, which exclude the recently acquired Mayfield Holdings, further progresses the significant improvement in the group's textile earnings, which rose by 42 per cent in the previous year.

It is expected that pre-tax results of the enlarged group will show increased growth during the remainder of the year.

After tax of £777,000 (£761,000) stated earnings per 25p share were 11.59p (9.2p). The interim dividend is up from an adjusted 2.564p to 4p net on increased capital — a total of 12.5p (adjusted 7.236p) has already been forecast for the year.

● comment

Having seen off the £44m bid from LMI, Allied Textiles naturally remain cautious about revealing all its riches. The good increase in the interim pre-tax profits is based on a 1.5 per cent rise in margins, showing that strong gains are still to be made on speciality textiles. However, the £¼m increase in unrealised gains from financial activities since the September 1984 year end also indicates the power of the company's cash and short-term investment balance—which totals £16½m post the Mayfield's acquisition. It was Mayfield that put Allied beyond the reach of LMI although other predators might not be so ungenerous towards a company with 150p a share cash backing and a good trading position. The increase in the interim dividend takes the yield to 3.7 per cent and the group is committed (vis the defence to the LMI bid) to increasing the payout this year by 75 per cent. In the year to September, the analysts are looking for £4.8m from the old Allied plus £1.7m from Mayfield or £6.5m. On top in the unrealised gain account some £2.2m will be available should the company wish to dip into it. The shares are trading on a prospective p/e of 9 at 350p and should go higher—although the would be investor should wait until after LMI disposes of its 11 per cent holding before making a move.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1980=100); engineering orders (1980=100); retail sales volume (1978=100); retail sales value (1980=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value*	Unem-ployed	Vacs.
1984							
2nd qtr.	102.4	100.4	107	110.2	130.1	3,026	154.0
3rd qtr.	102.3	101.3	107	111.1	133.3	3,076	165.1
4th qtr.	103.4	101.2	105	113.6	164.0	3,103	166.5
December	103.8	101.9	104	115.6	194.9	3,108	161.3
1985							
1st qtr.	104.9	101.3	92	112.6	133.9	3,138	157.5
2nd qtr.				114.9		3,174	169.5
January	104.0	100.1	89	111.6	134.4	3,124	157.2
February	104.2	101.0	95	112.0	130.2	3,144	156.1
March	106.4	102.7	91	113.8	136.5	3,147	159.2
April	106.7	101.1		114.1	140.3	3,176	166.7
May	107.8	100.9		114.6	142.0	3,177	167.1
June				116.1		3,170	174.8

OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1980=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1984							
1st qtr.	100.5	95.7	110.3	98.0	113.8	96.6	16.2
2nd qtr.	101.6	96.8	105.5	98.8	107.6	97.7	18.0
3rd qtr.	102.0	97.7	104.6	100.2	110.8	98.2	16.2
4th qtr.	102.5	98.3	106.1	99.7	107.3	99.4	13.3
November	102.0	98.0	106.0	100.0	107.0	99.0	13.9
December	103.0	100.0	106.0	101.0	109.0	100.0	9.5
1985							
1st qtr.	101.7	100.1	108.5	101.2	108.0	97.9	13.8
January	101.0	98.0	108.0	99.0	104.0	97.0	11.7
February	102.0	100.0	108.0	101.0	108.0	98.0	13.2
March	102.0	103.0	110.0	103.0	113.0	99.0	16.6
April	101.0	100.0	112.0	101.0	112.0	97.0	17.9
May	101.0	101.0	114.0	101.0	109.0	97.0	19.9

EXTERNAL TRADE—Indices of export and import volume (1980=100); viable balance; current balance (£m); oil balance (£m); terms of trade (1980=100); excluding reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1984							
1st qtr.	108.7	112.1	− 57	+966	+2,322	97.3	16.75
2nd qtr.	107.3	117.1	−1,228	−203	+1,543	96.9	15.51
3rd qtr.	108.0	119.8	−1,643	−512	+1,804	96.7	15.26
4th qtr.	117.5	126.1	−1,327	+373	+1,468	96.1	15.52
December	119.2	126.2	−344	+ 47	+743	96.0	15.69
1985							
1st qtr.	118.7	125.6	−1,347	+123	+1,862	95.6	14.80
January	116.6	118.6	− 86	+402	+926	96.0	15.52
February	121.7	124.6	−263	+207	+675	95.1	15.35
March	117.8	133.7	−999	−486	+260	95.6	13.53
April	119.6	126.3	−277	+223	+684	96.8	14.03
May	119.4	118.4	+224	+724	+835	97.1	13.98
June							14.32

FINANCIAL—Money supply M0, M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); building societies' net inflow; HP, new credit; all seasonally adjusted. Clearing Bank base rate (end period).

	M0 %	M1 %	M3 %	Bank advances %	BS inflow £m	HP lending £m	Base rate %
1984							
1st qtr.	4.1	10.1	8.2	13.6	2,609	2,874	8.50
2nd qtr.	4.6	24.5	11.1	18.9	1,795	2,876	9.25
3rd qtr.	5.3	10.2	6.3	9.9	1,628	2,813	10.50
4th qtr.	9.6	24.3	13.4	16.9	2,492	2,946	9.63
December	12.2	27.2	12.1	22.4	1,004	972	9.63
1985							
1st qtr.	2.2	0.7	9.1	15.2	1,511	3,146	13.05
2nd qtr.	5.1	32.4	19.9	19.2	1,523		12.50
January	5.0	9.0	13.6	16.3	823	1,168	14.00
February	3.1	− 5.0	4.6	13.3	474	1,013	14.00
March	− 1.3	− 1.2	9.2	16.0	214	965	13.50
April	5.4	22.2	18.8	19.5	507	1,057	12.63
May	4.2	33.2	18.4	17.7	615	1,038	12.63
June	5.7	44.6	23.8	20.2	401		12.50

INFLATION—Indices of earnings (Jan 1980=100); basic materials and fuels, wholesale prices of manufactured products (1980=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (1975=100).

	Earn-ings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1984							
2nd qtr.	155.9	134.3	132.0	350.9	329.1	305.06	79.8
3rd qtr.	159.6	134.1	132.8	353.9	326.8	288.95	78.0
4th qtr.	164.1	140.1	134.3	358.3	326.8	289.64	74.1
December	165.3	143.4	134.9	358.5	327.6	289.64	74.1
1985							
1st qtr.	165.4	146.2	136.6	362.9	332.8	295.22	72.0
2nd qtr.		139.0	139.4	375.3	339.4	278.13	78.9
January	163.4	145.3	135.9	359.8	330.6	296.98	71.5
February	164.6	147.6	136.6	362.7	332.5	295.73	71.3
March	168.1	145.5	137.5	366.1	335.4	295.22	73.3
April	169.4	140.8	139.2	373.9	338.8	295.08	78.0
May	169.5	138.8	139.5	375.6	339.3	279.98	78.7
June		137.3	139.6	376.4	340.1	278.13	79.9

* Not seasonally adjusted.

LADBROKE INDEX
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Based on FT Index
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كاملة من الأصل

Mount Charlotte surges to £7.3m at six months

Mount Charlotte Investments, the rapidly-expanding hotels group, more than doubled its pre-tax profits over the 28 weeks *to July 14 and is lifting its* interim dividend from 0.46p to 0.53p net per 10p share.

The results, showing taxable profits 106 per cent ahead at £7.28m, compared with £3.53m, include the five Skean Dhu Hotels in Scotland and the Royal Scot Hotel, London, which were not acquired until the second half of 1984.

So far this year the group has acquired three hotels—the Invercauld *Arms, at Braemar, in* January, the Astor Hotel, at Plymouth, in May, and the Johnstounburn House, at Humbie, also in May. The hotels were paid for in cash.

For the opening 28 weeks group turnover rose by 61 per cent, from £18.98m to £30.5m. Trading profits surged by £4.04m to £8.68m—margins improved from 24.5 per cent to 28.5 per cent. Interest charges took *£1.41m, against a previous* £1.12m.

Tax accounted for £1.02m (nil) to leave available earnings £2.73m higher at £6.26m.

The company says the corporation tax charge was reduced due to the excess of capital allowances over the corresponding depreciation and relief for losses brought forward.

● comment

Mount Charlotte Investments is making the most of the third good year in a row for Britain's hoteliers. The company has wasted no time in rejuvenating last year's acquisitions—the Skean Dhu chain and the Royal Scot—reaping from them a £2.5m contribution to pre-tax profit. Equally, the remaining hotels registered a pre-tax profit *increase of about 35 per cent.* The group seems set fair for £17m pre-tax this year, putting the shares, up 2p to 88½p, on a multiple of about 13 times fully diluted earnings and a 20 per cent tax charge. The outlook for 1986 and beyond is governed to a great extent by the prospects for the hotel trade as a whole, particularly in London. Bulls of the sector argue that the demand from tourists and business travellers continues to grow so strongly that there is no sign yet of any downturn in what has been traditionally a cyclical industry. The bears warn that *the recent rise of the pound,* should it persist, might trigger such a downturn by driving away many foreign visitors. So far the evidence, at Mount Charlotte at least, seems to favour the bulls, with the group indicating strong interest in bookings for 1986 and even for 1987.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
A & M Hire	0.4‡	—	0.1	0.4	0.1
Allied Textile ......int	4†	Sept 3	2.56*	—	7.24*
Bespak	2.5†	Aug 16	2.25	4.25	3.75
Bootham Engnrs ......int	2	Aug 13	nil	—	6
Brasway	1.25	Oct 17	0.83*	2	1.33*
Dowty	2.8	Oct 1	2.8	5	4.5
Drayton Far East ...int	0.4	Aug 27	0.4	—	1.1
Drayton Japan ......int	nil	—	0.5	—	2.5
Drayton Premier ...int	5.5	Sept 9	3	—	12.75
Fleming Fledgeling int	1	—	1	—	2.5
Thos Jourdan ......int	2.1	Oct 1	1.75	—	6.3
Kenyon Secs	6.25‡†	Oct 1	6.25	9.38	9.38
Leda Invest ......int	*5.45*	*Aug 31*	*2.1*	—	*5.8*
Mount Charlotte ......int	0.53†	Oct 8	0.46	—	1.2
NMC Invs	1	Oct 1	1	1	1
Osprey Comms	0.75	Sept 25	—	1.25	—
Woodhouse & Rixson int	1	Oct 1	0.25	—	1

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for script issue. † On capital increased *by rights and/or acquisition issues. ‡ USM stock.* § Unquoted stock.

Good start at Allied Dunbar

THE PRE-BUDGET boom in pension sales on fears, unfounded, that the Chancellor of the Exchequer would tax pension schemes, enabled the **Allied Dunbar Group** (formerly Hambro Life Assurance) to record a successful new business result for the first half of this year.

The company, now a member of BAT Industries, recorded a 19 per cent rise in new initial commissions, the measure used to assess the new business pattern of linked life companies, to £30.8m, compared with the first half of 1984.

New annual premiums over the period were up by a quarter at £62.4m. But the underlying figures showed buoyant pension business offsetting lower life sales.

Life business was down by around a third to £11m, while penion premiums rose by two-thirds to over £50m.

On lump sum business, life and pension sales were down by around 4 per cent, with a 20 per cent rise in pension sales just failing to cover lower sales of life bonds.

Overall total lump sum business of the group was 22 per cent higher at £197m.

Total funds under management of the group as at June 30 1985 were £3.7bn—over 23 per cent higher than 12 months previously.

Mr Sid Lipworth, deputy chairman of Allied Dunbar, said that the downturn in life single premiums reflected a change in the group's marketing with more emphasis on unit trusts.

Bootham recovery set to continue

Bootham Engineers has continued to recover and has turned in taxable profit of £236,000, against £36,000, for the six months to end-April 1985.

The board says it is encouraged by current trading and believes that progress made to date in improving results will continue.

The interim dividend is being restored through a payment of 2p, which compares with last year's solitary final of 6p. First half earnings per share were considerably higher at 14.12p *(1.86p).*

Turnover advanced from £4.05m to £4.47m and generated a operating profit of £301,000, compared with £126,000. Bootham provides a national coverage of specialised engineering repairs and reclamation technology.

Interest payments were down at £63,000 (£90,000). Tax was £91,000 (£17,000), leaving a net £147,000 (£19,000).

Camco raises net income in second quarter

Camco, a U.S. oil services offshoot of **Pearson**, raised second quarter net income by 43 per cent from $2.7m to $3.88m (£2.75m) or from 37 cents to 53 cents per share. Net sales for the period to June 30, 1985 were 8 per cent higher at $42.96m ($39.84m).

For the first six months, net sales were $85.08m ($79.61m) and net income came to $6.74m ($6.76m) or 92 cents per share (same). The 1984 period included a one-time $2.2m or 30 cents per share benefit related to DISC deferred tax forgiveness.

Second quarter expenses and gross margin percentages remained constant in relation to last year. The results included a 10 cents per share gain from the sale of a subsidiary, American Technology Corporation.

Martin Dickson on the remarkable rise of Pentland Industries

An entrepreneur's dream

IT IS the stuff of which entrepreneurs' dreams are made: in August 1981 **Pentland Industries**, a small British industrial trading company, invested $77,500 to buy a 55 per cent stake in a tiny U.S. firm called Reebok, which was struggling to establish itself as a North American distributor of athletic footwear.

Next week, after an extraordinary expansion on the back of the American "keep fit" boom, Reebok will be floated on the U.S. Over-the-Counter market with a market capitalisation of some $230m-$250m.

This explains why Pentland has been one of the London stock market's best performing shares both this year and last. The shares (adjusting for scrip issues) have risen from around 18p in early 1984 to a recent high of 362p, before falling back on profit-taking. It closed at 240p last night.

"Looking back on Reebok with hindsight," says Mr Stephen Rubin, Pentland's 47-year-old chairman, "we just did everything right: we had the right management, the right sourcing, the R & D capacity and the finance: with help from our bank the thing grew enormously from a very small capital base."

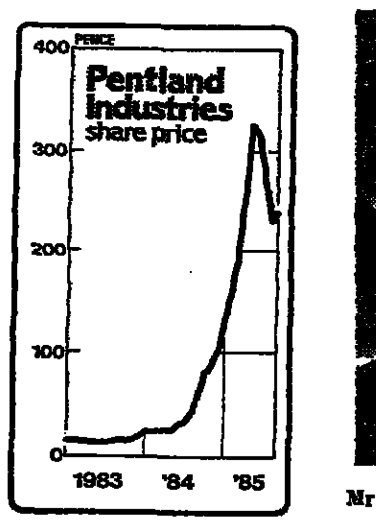
Mr Rubin, a lawyer by training, with a distinctive shock of white hair and a penchant for bow ties, was speaking at Pentland's large new £2m headquarters in Finchley, North London, which was officially opened earlier this month by Mrs Thatcher, the Prime Minister, in whose constituency the office is located.

The new building is just one measure of the remarkable change in the fortunes of a company founded 49 years ago by Mr Rubin's parents as the Liverpool Shoe Company. The family still holds 57 per cent of Pentland's shares.

Floated in 1963, Pentland was hit badly by over-capacity in the UK shoe industry in the late 1960s and was then involved in the collapse of London and Counties Securities at the start of the 1974 fringe banking crisis. London and Counties held 33 per cent of the company. In 1980 Mr Rubin was acquitted on fraud charges arising out of the London and Counties affair.

Pentland, with its main interests the international distribution of shoes, grew steadily though undramatically in the late 1970s, with profits rising from £193,000 in 1975 to £1.67m in 1983.

But last year—largely, but not wholly thanks to Reebok—taxable profits leapt to £12.9m.



Mr Stephen Rubin, chairman of Pentland

This year analysts are forecasting £22m.

Pentland's involvement in Reebok began when it was approached by Mr Paul Fireman, an American who had founded the company in the U.S. but had problems in both funding the business and finding the right manufacturers to make the shoes he wanted to market. Pentland, whose own manufacturing plants *are relatively small,* used its trading experience to find manufacturers in the Far East.

Reebok's crucial breakthrough came when it designed a new kind of athletic shoe aimed specifically at the then fast-growing aerobics market. The shoe was a quality product, at the top end of the market, with a distinctive soft leather upper.

Aerobics shoes proved a launching pad for the Reebok name and for other products: tennis shoes, running shoes and boxers' boots—all with sufficient fashion content to appeal to the mass market.

Reebok sales took off last year, soaring to £56.6m from £8.8m in 1983. And in the first half of this year alone they reached £80.3m with profits up from £1.93m to £17.8m.

But *can it sustain growth of* this kind in a highly competitive market prey to the changing whims of fashion? The U.S. company Nike — a major rival — suffered a sharp fall in earnings last year, though it — perhaps significantly — was way behind Reebok in responding to the aerobics boom.

Mr Rubin says there are still huge opportunities in the U.S. sporting market — next year Reebok will be tackling the biggest sector of all, basketball boots — whilst the company is still just beginning to look at the rest of the world.

"*But we've got to be one step* ahead of the market," he adds. "If we stop innovating, we're dead."

Reebok is being floated off (together with various UK offshoots) partly because the U.S. *management, which owns 40 per* cent, wished to capitalise on its success and partly because Pentland wanted to reduce the financing pressures on it, and avoid being swamped by its offshoot. "We had reached a 'tail wags dog' position," says Mr Rubin.

The sale of shares will raise some $30m of new money for Reebok. Pentland will raise $8m by disposing of part of its stake, which will fall from 55 per cent to around 43 per cent.

The success of Reebok has tended to obscure the fact that Pentland's *other* businesses have been doing well, with profits *rising to over £2.5m last year* (more than the entire group in 1983) and earnings per share doubling.

Some 70 per cent of turnover comes from shoe trading and manufacturing. Priestley Footwear, which makes ladies' fashion shoes, has seen a *particularly sharp rise* in both output and productivity.

The flotation will leave Pentland with some £14m of cash in the balance sheet, much of which will be used to acquire new businesses.

During the past year it has already acquired for £330,000, 75 per cent of H & H Refrigeration of Blackburn, which supplies and services fridges and other electrical equipment, and 51 per *cent of Holmes Products, a U.S.* importer of domestic fans and heaters, *for $450,000* injected into the business.

Both deals follow the principle of taking a majority stake in a business, but leaving management with a slice of the equity as an incentive to produce results. The hope is that this might one day produce another Reebok.

BOARD MEETINGS

TODAY

Interims:—Adams and Gibbon, D. J. Security Alarms, Derby Trust, Edinburgh American Assets Trust, GRA, Hill and Smith, Imperial Chemical Industries, Ladies Pride, Meggitt, Nationwide Leisure, River Plate and General Investment Trust, Scottish American Investment.

Finals:—Astra Industrial, Hallite, Herold Ingram, Eliza Tinsley, Quest Automation, Warehouse, Wellman.

FUTURE DATES

Interims:—	
Anglo American Ind. Corpn.	Aug 27
Metal Closures	Sept 3
Royal Dutch Petroleum	Aug 8
"Shell" Transport and Trading	*Aug 8*
Trencherwood	Aug 14
Finals:—	
Equity Finance Trust	July 29
Victor Products	Aug 14

UK COMPANY NEWS

Valor in agreed offer for Breville Europe

BY DAVID GOODHART

Valor, the heating and cooking appliances group, has made an agreed offer for Breville Europe the sandwich toaster maker.

The terms of the acquisition of Breville's 16.6m issued ordinary shares are 17 Valor ordinary shares for every 100 Breville ordinary, with an alternative cash offer.

The offer values each Breville share at 28.73p and places a total value of about £4.76m on the company. The cash alternative is based on 165p per Valor share, equivalent to 28.05p per Breville share.

But Mr Michael Montague, the chairman of Valor, and of the National Consumer Council, said that the total cost to his company would be *only* about £330,000. "*We will be acquiring* £4.67m in net realisable assets and at least £3.5m in cash," he said.

Valor will also pick up the brand leader in the sandwich toaster sector which now claims about 40 per cent of the UK market.

However Breville's disappointing performance since it joined the USM in 1982 is a consequence of the sharp decline in the market for sandwich toasters which hit a peak of 2m in 1982 and now stands at about 500,000 a year. In the year to June 1984 the company incurred a loss of £411,000.

Valor has placed 2.8m shares in the market—subject to shareholder approval—which represents a 10.5 per cent enlargement of its existing share capital. The new Valor ordinary will not qualify for the proposed final dividend of 3.365p in respect of the year ended March 1985. Valor profits for the year ended March 31 rose 46 per cent to £5.7m on turnover of £86.4m.

The Breville acquisition is consistent with Valor's interest in brand names. "We think the public trusts brand names," said Mr Montague. He said that a good signal of confidence in the deal was the fact that Hoare Govett have agreed to underwrite at the unusually low discount of 5.8 per cent.

Valor's share price fell 10p on the day to close at 169p and Breville's rose 9p to close at 26p.

Oceana Devlp. raising £10m

Oceana Development Investment Trust, an investment trust controlled by South African interests headed by Executors, an investment management company, is raising £10.4m with a nine-for-one rights issue.

The cash call follows a £1.15m agreed takeover bid for Oceana by Executors which was announced last month.

The new stock units are offered at 230p each in an issue underwritten by Standard Chartered Bank. Oceana stock units traded at 245p in London yesterday—they are also quoted

A circular is being despatched to holders containing details of Executors' offer and of the rights issue and containing a notice of an egm to be held on August 16.

It is intended that the proceeds of the issue will be applied to increase the capital available for investment by Oceana which, together with existing resources, will be used in continuing Oceana's existing policy of having a wide spread of international investments.

Following completion of the rights issue, almost the whole of Oceana's existing catipal will be owned initially by executors (UK), cilents of Executors, the directors of Fidelity group and its subsidiaries, the vendor stockholders and other South African institutional investors.

The new units being offered by way of the rights will not rank for the 1985 final dividend of 3.9p per stock unit.

Brasway rises sharply to £0.86m

Brasway, the West Midlands-based scrap processor, tube and bright bar manufacturer, continued its advance over the second six months and saw its profits before tax for the full 1984-85 year surge from £422,250 to £860,026.

In the current year the directors are looking for a continuation of strong growth. They point out that May and June were very good months and say they expect the trend to continue.

For the past year, to April 27, 1985, group turnover pushed ahead from £18.09m to £22.31m. Available earnings emerged at £669,676 (£138,294) after deducting tax of £190,350 (£118,956) and extraordinary debits last time of £165,000.

Earnings came through at 9.62p (4.36p) and a final dividend of 1.25p raises the total from equal to 1.333p to 2p net per 10p share.

During the year all established divisions performed to budget and margins, although still tight, were generally as the directors expected.

The group established an oil blending division in June 1984 and is investing further in this field. Plans to build a new laboratory are under way and sales and technical staff are being recruited.

The directors are still acquisitive but intend to select only those which suit the group's specific requirements.

Bespak up at £2.3m after poor second half

AS FORECAST at the interim stage second half profits of Bespak, aerosol valve manufacturer, were less than in the first six month, and, at £888,000 emerged lower than the £1.06m achieved in the second half of last year.

Nevertheless, for the 53 weeks to May 3 1985 group pre-tax profits edged ahead to £2.27m, against £2.11m previously—in line with the March forecast of at least £2.1m—on turnover up from £10.25m to £12.67m.

The directors are recommending the 2.5p (2.25p) final dividend as stated at the time of the rights issue in March, bringing the total to 4.25p (3.75p). Stated net earnings per 10p share have risen from an adjusted 12.3p to 17p.

The current half of 1985-86 will compare unfavourably with the comparable period, which was exceptionally good, with profits of £1.38m. This was largely due to the high level of Glaxo business, which fell off in the second half.

The directors say, however, that too much should not be read into the first half results, since the group's detailed projections, supported by progress to date, indicate that the year as a whole will show a reasonable increase in sales and taxable profits. In these projections no dramatic increase in Glaxo's requirements during the period has been assumed.

Interest charges for 1984-85 amounted to £768,000 (£345,000), being short-term bank loans and overdrafts of £61,000 (£7,000), other short-term loans £115,000 (£65,000), and long-term bank loans of £156,000 (£153,000). Industrial revenue bond interest took £436,000 (£120,000).

● comment

The City seems reluctant to lose faith in Bespak. The over-dependence on Glaxo, plain to see ever since the company was floated in 1982, has not deterred investors from buying the shares at fancy multiples. And even after the fall in prices over the past year, when the effects of a cutback in Glaxo orders became apparent, the shares, down 2p to 238p, trade on a multiple of 14 times historic earnings. Clearly, the stock market is setting considerable store by the company's prospects of recovery in the second half of the current year. *And it is adding* a good premium for Bespak's opportunities to exploit its new products, particularly catheter valves. At the root of this confidence lies the fact that Bespak is managing to diversify its customer list in fields where it has a strong technological edge on the competition. However, given that Glaxo still accounts for some 50 per cent of turnover it will be some time before Bespak will be immune to the kind of shock it suffered last year. The stock market rating demands much from the company.

COMPANY NEWS IN BRIEF

YEARLING BONDS totalling £6.5m at 11¼ per cent, redeemable on July 30 1986, have been issued by the following local authorities; Kings Lynn and West Norfolk (Borough Council of) £0.5m; St Helens Metropolitan BC £0.5m; South Buckinghamshire District Council £0.25m; Dundee (city of) DC £0.5m; Manchester (city of) £1.0m; West Yorkshire Metropolitan County Council £0.5m; Dudley Metropolitan BC £0.75m; Cynon Valley (Borough of) £0.5m; Greater Manchester Passenger Transport Executive £0.5m; Highland Regional Council £1.0m; Test Valley BC £0.5m.

HOUSE OF FRASER, the department stores group, has increased to 12.61 per cent its stake in Debenhams, its High St rival fighting a £550m takeover bid from Burton Group. The holding gives Fraser an important role in the outcome of the bid, which closes next week. Burton shares closed last night down 1p on the day at 445p, which values its paper and cash bid at 327p. Debenhams closed unchanged at 313p.

FORSHAWS BURTONWOOD directors say they propose at least to maintain the current year's dividend at 10p on the capital as increased by yesterday's £3.24m rights issue. With the full benefit of the modernisation programme making its impact they say future prospects of the company are encouraging.

FINDHORN Finance has suffered at setback as the substan*tial Scotch Whisky group it was* in negotiation with says it is no longer seeking external finance. The reason given is a change in circumstances. Findhorn has, therefore, to regard that prospect as closed for the foreseeable future; but it says it will continue to seek others. The company ran into problems with the collapse of Tomatin Distillers, which it helped with stock financing.

BT (CANADA) HOLDINGS INC share offer for CTG Inc has closed with about 84 per cent of common shares and 90 per cent of warrants tendered. A total of about 3.15m common shares and C$497,000 of warrants were tendered when the offer closed at midnight Toronto time on July 22.

ANGLO AMERICAN Agriculture has, by way of a management buy-out, acquired a 20 per cent holding in Doane Western for a consideration of $250,000. The arrangements will enable the existing managers of Doane to participate in a significant portion of Doane's equity. Doane Western was established in 1933 and provides agricultural services in farm real estate brokerage, appraisal (valuation), farm management and loan origination and servicing in various States. AAA reports an increase from £136,037 to £251,341 in pre-tax profits for 1984. Turnover climbed from £289,866 to £754,164, and there was an operating profit of £250,016 (£35,497). The final dividend is raised from 0.7p to 1.45p.

N. BROWN INVESTMENTS is making an offer for the 5.5 per cent comulative preference shares in its subsidiary Ambrose Wilson which it does not already own. The offer is 77½p cash for each preference and holders will be entitled to the dividend payable on August 15, 1985. Of the 200,000 preference in issue N. Brown already owns 30,100 (15 per cent).

DRAYTON PREMIER Investment Trust is lifting its interim divi*dend from 3p to 5.5p following* increased net revenue of 2.15m, against £1.74m, for the six months to end-June, 1985. Net asset value at that date was 512.6p per 25p share compared with 514p six months previously. Earnings per share were 6.84p (5.56p).

NMC INVESTMENTS, fibreboard container manufacturer and investment group, announced lower pre-tax profits of £183,000 (£251,000) for the year end-March 1985 on turnover of £3.72m (£3.48m). The parent company made £204,000 (£203,000), but the subsidiaries incurred losses of £21,000 (profit £48,000). Net earnings per 12½p share fell from 2.41p to 1.69p. The single final dividend is held at 1p. Net asset value per share taking investments at market value rose from 17.6p to 18p.

OSPREY COMMUNICATIONS has achieved pre-tax profits of £200,890 in the year to March 31 1985, being its first year on the Stock Exchange. This was after the deduction of £15,389 amortisation of goodwill. Turnover amounted to £2.2m. The final dividend of 0.75p brings the total *to 1.25p, against 1p forecast* at the time of flotation. Net earnings were 3.35p.

Granville & Co. Limited

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Over-the-Counter Market

High	Low	Company	Price	Change	Gross div.(p)	Yield %	P/E Actual	P/E Fully taxed
146	123	Ass. Brit. Ind. Ord.	136	—	6.6	4.8	7.5	8.9
151	135	Ass. Brit. Ind. CULS	138	—	10.0	7.2	—	—
77	44	Airsprung Group	44	—	6.4	14.5	7.3	9.6
42	26	Armitage and Rhodes	36	—	2.9	8.1	4.5	7.5
159	108	Bardon Hill	158xd	—	4.0	2.5	20.0	20.8
64	42	Bray Technologies	62	—	3.9	6.3	7.6	8.7
201	160	CCL Ordinary	160	−1	12.0	7.5	3.9	3.7
152	105	CCL 11pc Conv. Pref.	105	—	15.7	14.9	—	—
130	10	Carborundum Ord.	130	—	4.9	3.8	6.4	10.1
90	83	Carborundum 7.5pc Pf.	90	—	10.7	11.9	—	—
73	46	Deborah Services	49	+1	6.5	13.3	4.7	7.5
467	182	Frank Horsell	467xd	—	1.4	0.3	12.0	15.4
385	170	Frank Horsell Pr.Ord.87	360xd	—	11.9	3.3	9.3	11.9
32	25	Frederick Parker	26	—	—	—	—	—
67	33	George Blair	67	—	—	—	4.5	9.0
50	20	Ind. Precision Castings	20	—	2.7	13.5	5.5	5.9
218	177	Isis Group	180	—	15.0	8.3	13.8	26.9
124	101	Jackson Group	105	—	5.5	5.2	7.0	7.0
285	213	James Burrough	238	+2	15.0	6.3	7.5	7.5
94	83	James Burrough 9pc Pf.	94	—	12.9	13.7	—	—
95	71	John Howard and Co.	88	—	5.0	5.7	7.0	11.0
225	100	Linguaphone Ord.	214	—	—	—	7.9	8.2
100	92	Linguaphone 10.5pc Pf.	94	—	15.0	16.0	—	—
650	300	Minihouse Holding NV	580	—	6.9	1.2	25.8	24.5
120	31	Robert Jenkins	84	—	5.0	7.8	—	—
60	28	Scruttons "A"	31	—	—	—	—	7.9
92	61	Torday and Carlisle	75	—	5.0	6.7	3.8	6.9
444	325	Trevian Holdings	325	—	4.3	1.3	18.5	18.2
32	17	Unilock Holdings	32	—	2.1	6.6	8.7	8.5
105	81	Walter Alexander	105	—	7.5	7.1	7.9	11.3
247	216	W. S. Yeates	218	−2	17.4	8.0	6.2	10.7

Prices and details of services now available on Prestel, page 48146

Public Works Loan Board rates

Effective July 24

Years	Quota loans repaid by EIP†	Quota loans A‡	Quota loans at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* A‡	Non-quota loans A* at maturity§
1	—	—	11	—	—	11¼
Over 1, up to 2	11	11	11	12	12	11½
Over 2, up to 3	11	11	11⅛	12	12	11¾
Over 3, up to 4	11⅛	11⅛	11⅛	12⅛	12⅛	11⅞
Over 4, up to 5	11⅛	11⅛	11¼	12⅛	12⅛	12
Over 5, up to 6	11⅛	11⅛	11¼	11⅞	11⅞	11¾
Over 6, up to 7	11⅛	11⅛	11¼	11⅞	11⅞	11¾
Over 7, up to 8	11¼	11¼	11¼	11⅞	11¾	11¾
Over 8, up to 9	11¼	11¼	11¼	11¾	11¾	11⅝
Over 9, up to 10	11¼	11¼	11	11¾	11¾	11½
Over 10, up to 15	11¼	11	10⅞	11¾	11½	11¼
Over 15, up to 25	10⅞	10⅞	10⅝	11⅝	11⅛	11
Over 25	10⅞	10⅞	10⅝	11⅝	11	11

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

UK COMPANY NEWS

Thos. Jourdan improves and plans stronger base

FOR THE fifth successive year Thomas Jourdan has increased both its profits and earnings per share at the interim stage.

Furthermore the directors have plans under consideration which will strengthen the group and create a strong base for continued expansion.

For the six months to June 29 1985 the group improved its turnover from £3.56m to £4.59m and saw its profits at the pre-tax level rise by £98,000 to £412,000, an increase of 31 per cent.

The second half has started well with an increase in outstanding orders over this time last year—the group manufactures trouser presses, nursery products, fireplace surrounds and also holds "Mary Quant" royalty contracts.

Partly to reduce disparity the directors are lifting the interim dividend from 1.75p to 2.1p net per 10p share—the total distribution will depend on the outturn for the year as a whole. For the 1984 year the group paid a final of 4.55p from record pre-tax profits of £836,573.

First-half earnings improved by 36 per cent, from 3.59p to 4.88p per share.

Mr Archie McNair, the chairman, tells shareholder that during the first half all the trading subsidiaries were profitable and that Squires (Copper), acquired in August last year, has settled into the group and has more than proved it worth.

There was also an increase in gross royalties and in the profits from that source.

He points out that over the past five year sales, profits and earnings per share have risen significantly and adds that the directors are continuously planing expansion both of existing trading companies and by acquisition—pre-tax profits for the first half of 1981 totalled £48,000 and earnings amounted to 0.64p.

W. A. Tyzack buys Rhodes' knife business

W. A. Tyzack has acquired the machine knife business of Henry Rhodes, and at the same time has sold Rhodes' specialised spring operations to Chapman Springs. The total consideration payable for Rhodes is £650,000, of which £625,000 is payable in cash with the balance in Tyzack ordinary shares.

The cash sum of £303,200, plus VAT, was received as part consideration by Tyzack on completion of the sale to Chapman Springs. An estimated balance of £76,000, plus VAT, will be received on September 30, when a valuation of stock and work in progress ha been finalised.

Kenyon Securities ahead after year of expansion

Kenyon Securities, supplier of funeral and ancillary services, edged ahead from £413,000 to £434,000 pre-tax for the year to end-March 1985, after making a lower £247,000 against £263,000 in the second half.

Turnover improved from £3.99m to £4.64m, and the directors report a continuation in the growth of the company's business. They are holding the dividend payment at 9.375p for the year with a same again 6.25p final. Stated net earnings are lower at 16.2p (16.8p) on a weighted average basis.

The group completed a number of acquisitions during the year and following the year-end made the more substantial acquisition of Hambrook and Johns, increasing the geographical areas covered by the group's services.

The benefits arising from these acquisitions only marginally contributed to the year under review, but will result in a marked increase in group trading during the current year, the directors state

For 1984-85 tax took a lower £190,000 (£203,000). There was an extraordinary credit this time of £45,000 being the profit on the sale of freehold property, and an extraordinary debit last time of £66,000 for deferred tax.

The group's shares are traded on the USM.

RMC sells stake in Hong Kong associate

RMC Group, the manufacturer of ready mixed concrete, has sold its 50 per cent stake in its Hong Kong associates to Hutchison Whampoa, the holder of the other 50 per cent, for HK $63.7m (£6m) in cash. RMC has also been repaid loans of £2.1m.

The stake in Ready Mixed Concrete (HK) is being acquired by two Hutchison subsidiaries, Anderson Asia Concrete and Anderson Asia Holdings.

The Hong Kong concrete market has become highly competitive, with margins squeezed and sales falling, following the bursting of the local property boom.

RMC said yesterday that the nature of the market and the location of raw material resources made it appropriate for the Hong Kong company to be wholly controlled by a group which had interests predominantly related to the territory.

RMC will invest the proceeds in group activities, in the UK and elsewhere.

Bennett & Fountain on target

Bennett & Fountain, formerly Rubber Estates of Ceylon, has reported profits for the year to the end of March 1985 in line with the forecast made when it came to the Unlisted Securities Market in January this year.

On turnover of £6.56m, trading profit was £763,000, compared with the forecast of not less than £750,000.

No comparative figures are given because of the change in the company's operations. Rubber Estates owned plantations in Sri Lanka until they were nationalised in 1975 and this year in a reverse takeover it bought Bennett & Fountain, the electrical retailer and wholesaler based in Beckenham, Kent.

No dividend will be paid because of the costs of the acquisition and the fact that threequarters of the profit earned in the period under review was pre-acquisition.

Mr Jack Pomper, chairman, says that 1984-85 was an important period for the group and further progress is anticipated in both the retail and wholesale divisions. The aim is to grow both organically and by acquisition.

The present year has started satisfactorily in a difficult market and Mr Pomper says that the full year is looked forward to with confidence.

COMPANY NEWS IN BRIEF

CANADIAN MARCONI electronics producer controlled by General Electric Company of the UK, sees lower shipments and earnings in the fiscal year ending next March 31 because its order book was down to C$190m at March 31 last from C$300m a year earlier.

ROCK and Williams Holdings have completed the sale of properties used for the business of Longford Tools and Districtions.

JUMER has acquired 1.71m shares in London Entertainments and now holds 1.64m (44.6 per cent).

FINE ART Developments has acquired Club Centre of Leeds for £490,000 in cash and the allotment of 500,000 ordinary shares. Club Centre's business is selling Christmas and birthday cards on sale or return by mail order to football clubs, a wide variety of other clubs and schools.

BP CHEMICALS has received acceptances from holders of 5.1m ordinary shares in Mebon, representing 94.38 per cent of the issued share capital, and from all the holders of the 200,000 preference shares. The offer, which is 125p in cash for each Mebon shares, is now unconditional and will remain open until further notice. In due course BP Chemicals will compulsorily acquire any outstanding Mebon ordinary shares.

INDEPENDENT INVESTMENT, the investment trust subsidiary of Atlantic Assets Trust, earned higher net profits of £306,000, against £271,000, in the year to end-June 1985. Net asset value was 314.8p at the end of the year, compared with 278p a year previous. Earnings per share were 0.96p (0.83p) and the single final dividend is unchanged at 0.5p.

WHITWORTH'S FOOD GROUP, fruit and vegetable distribution company, has acquired the outstanding 56 per cent of Peter C. Cocks (Potatoes) of Scunthorpe and Darlington, prepacker, distributor and merchant of potatoes.

REA'S offer for Applied Botanics has been accepted by holders of 29.27m (86.5 per cent) of the ordinary shares and 6.18m (99.4 per cent) of the deferred shares. As a result Rea controls 90.6 per cent of the ordinary shares and 99.4 per cent of the deferred shares. The offer has been declared unconditional for the ordinary and deferred shares and wil remain open for acceptance until further notice.

MANAGEMENT: Marketing and Advertising

EDITED BY CHRISTOPHER LORENZ

Food retailing

Catering for changing tastes

David Churchill talks to Tesco's new chairman

IN 1977 Ian MacLaurin initiated Britain's fiercest supermarket price war. Tomorrow he takes over as chairman of Tesco—with the firm forecast that the days of price wars among hungry British food retailers are over.

"There will never be another price war of the sort we saw in the late 1970s," he asserts confidently. "Although price is an important part of the trading equation, it no longer is the most significant factor in grocery retailing."

Tesco's own market research—supported by other surveys of shoppers' buying habits—shows that consumers are looking for factors other than price when deciding where to shop. "They look for a total package—such as convenience, fresh foods, range of merchandise, car parking, store lay-out, and good value," believes MacLaurin. "I don't think most people scan the newspaper ads every day looking for the cheapest prices any more."

MacLaurin points out that Tesco and its major rivals Asda and J. Sainsbury "have all got over in our various ways the concept of good value which are *part of our corporate* marketing strategies — nobody needs to rock the boat and start a new price war."

Instead, the fiercest competition over the next decade between the major supermarket chains will be over acquiring new superstore sites. Tesco has just opened its 100th UK superstore—at Brent Park in North London — and has plans for many more over the next ten years. "By the end of this decade some 60 per cent of the population will shop in a superstore," predicts MacLaurin.

It is perhaps fitting that Tesco's latest superstore should be at Brent Park since this is where MacLaurin, 48, first started working for Tesco almost 25 years ago. Then, the local Tesco was only 200 sq ft in size, compared with the 65,000 sq ft of selling space in the new store.

MacLaurin has worked his way steadily up the company, which was started after the first world war by the late Sir Jack Cohen whose famous trading philosophy was "pile 'em high, sell 'em cheap!" MacLaurin was made managing director in 1973 and for the past 18 months he has been deputy chairman. Tomorrow he takes over from Sir Leslie Porter—Sir Jack Cohen's son-in-law—as the first non-family chairman of Tesco.

MacLaurin has been the key figure in Tesco's rejuvenated financial performance in recent years after a sticky patch in the early 1980s. The success of the price war started by MacLaurin in 1977 only served to expose Tesco's managerial weaknesses—it simply could not keep up with the extra volume of business generated by its marketing success. Pre-tax profits in 1979 of £37.7m slumped to £35.6m by 1981. However, in the financial year just ended, Tesco reported pre-tax profits of £81.3m on sales of £3bn.

Adamant

This has been achieved by switching Tesco's managerial system from a decentralised approach—where individual store managers had considerable freedom—to a much tighter operation controlled from head office.

At the same time Tesco has shut down nearly 400 small stores and concentrated on its superstore development programme. But MacLaurin has also varied this marketing strategy by launching a limited range discount store chain called "Victor Value" to capture some of the high street trade lost by having fewer small Tesco stores.

MacLaurin, however, remains adamant that the High Street will survive. "All this talk of the High Street dying is a lot of nonsense," he says. "There are plenty of retailers that will prosper in the High Street by offering good value and reaching out to particular groups of customers," he insists.

Tesco's problem is that its customers prefer the ease of large stores and adequate car-parking—something that is in short supply in many High Streets. "Where there is the room for a good-sized store and car parking, then we will consider opening new High Street stores," he confirms.

Ian MacLaurin: "People don't look for the cheapest prices any more"

He believes that "retailing is now on a very different level from that of a decade ago, with greater sophistication and more professional management." Yet he also maintains that the essence of retailing is still the traditional skills "of being fast on your feet and exploiting the opportunities that are there for you."

MacLaurin is very aware of changing consumer shopping patterns and therefore believes that Tesco should seek to take advantage of the trend towards shorter working hours and shoppers with more leisure time. "They will want stores—similar to many in the U.S.—that are attractive centres in their own right, where they can park the car, have lunch, use a bank, and browse round a number of departments."

Superstores will provide the opportunity for this type of shopping with one or two major retailers linking together to form mini-shopping centres on the edge of towns. Tesco has already forged a link with Marks & Spencer to develop such large store sites close to major towns. Other retail multiples—such as the Burton Group of fashion chains—could *also join up with some Tesco* developments.

Even after almost a quarter of a century with Tesco, MacLaurin is still enthusiastic about developing the company over the next decade or so. "For me, retailing is like a drug—it's always been a special excitement," he says. "I don't think I'll ever lose it."

The only other possible career that interested MacLaurin was as a professional sportsman—he played as an amateur footballer at Chelsea in the same team as Jimmy Greaves. "But I felt that retailing had more to offer in the long term," he admits.

Marketing concepts

Stating the case for better research

CHRISTOPHER PARKES

THE FOUNDATION underpinning the application and understanding of marketing in Britain is a thing of anecdotes and fragments, according to Peter Doyle, Professor of Marketing at Warwick University.

If marketing is important to the regeneration of industrial competitiveness, he argues, then a considerable body of research still needs to be undertaken on the scale and *extent of the problems.*

In his contribution to the inaugural issue of the Journal of Marketing Management — described by its editor as a bridge between weekly magazines and the esoteric treatment found in academic journals — Doyle offers a comprehensive curriculum.

Just the job, possibly, for his own department. And potentially a rich seam for the new publication to mine in the *future.*

The professor poses a series of pertinent questions, some of which the uninitiated may consider should have been asked and answered long ago:

● **Are British companies less marketing-oriented than their competitors?**

"While there is much anecdotal evidence, there has been no comprehensive study of this issue," he claims. A broad study would define the components of an effective marketing company and compare various countries, he suggests.

● **Are marketing-oriented companies more successful?**

"How significant is marketing to corporate performance? Again there is fragmented evidence . . . but it has never been brought together effectively in the UK," the professor accuses. A well-structured study could disentangle the impact of marketing from the other variables affecting corporate performance.

● **What are the obstacles to companies developing a marketing orientation?**

Do they include lack of knowledge, poor planning and organisation or poor marketing staff, he asks. And why should these and other factors be more important in the UK than elsewhere.

Once these basic areas have been covered, Doyle says, research could move with some confidence into the area of righting the problems, leading possibly to the development of models for the process of revitalising industries or businesses.

He points to work carried out at Erasmus University in the Netherlands, based on studies of how four major enterprises had been turned round after a long period of decline. The results are now the basis of a regular study course at a leading Dutch business school.

Hinting that he suspects some of his main questions may have been answered, the professor notes that work at Erasmus and comparable research by the McKinsey consultancy "put renewed emphasis on marketing and organisational culture as determinants of competitive performance."

He concludes: "Given that these two factors appear to be particular problem areas in Britain, initiating a study of successful revitalisation in this country could offer real practical insights to companies and the Government."

Some of the marketing blunders and failures notched up by British industry in the past—and attempts to explain them—are recorded in a rumbustious contribution from Stephen King, director of research and planning at J. Walter Thompson, the advertising agency.

He recounts, for example, the response of the Midlands bus company to customers' complaints of drivers speeding by stops with a wave and a smile: "It is impossible for the drivers to keep to their timetables if they have to stop for passengers."

This "consumers come second" philosophy is one commonly espoused as companies grow bigger and less responsive, he claims.

From his quarter-century in and around the marketing business, King has distilled his own recipe for success. The essence of what he calls Real Marketing lies in:

● Putting the customer first—not the distribution system.

● Giving satisfaction over a period of time—not just profits this month.

● Using all the company resources—not just those of one department.

● Innovating—not just sticking to formulae.

"Where it is followed, it seems to work. But we have to admit that there are far too many instances where it has never really been tried," he claims.

As to sources of proper guidance for companies seeking to improve their marketing efforts, King appears to be at something of a loss. He complains of scanning certain marketing periodicals for 25 years "with despairing incomprehension, failing entirely to derive any benefit from them at all."

Nor does he seem to have much of an opinion of academic training. "I see people emerging from various institutions with qualifications in marketing, but cannot imagine how some of them are remotely suited to any of the jobs that I know about."

Even the learned company in which he finds himself in this new publication is not spared. "Maybe some of the time spent by some teachers on producing unreadable esoterica would be better used in listening to consumers, watching practical marketing men in action and, if possible, having a go at it themselves."

Journal of Marketing Management. Editor: Profesor Michael Baker, Department of Marketing, University of Strathclyde, 173 Cathedral Street, Glasgow G4 0RQ. £30 a year for three issues. £32 for overseas subscribers.

The might of the Methuselah market

SOME effort has clearly gone into avoiding the American term "greys," but many might question whether the UK's senior citizenry will take altogether kindly to being lumped into "The Methuselah Market" by marketing lecturers Caroline Tynan and Jennifer Drayton.

Still, their study of the neglected marketing opportunities offered by the 10.5 per cent of the British population aged between 60 and 70, offers some useful indicators.

First, the Methuselahs are likely to be earning their maximum income in the five years leading up to retirement. They tend also to have a reservoir of accumulated savings and assets. They are not burdened with long term debt such as a mortgage, and most are free of the financial ties of parenthood.

Research has also pinpointed several areas which companies could usefully exploit, *including an unfilled market for small, comfort*able, easily-maintained retirement properties.

Holidays also figure strongly in the Methuselah budget, and while the study produced no evidence of a market for consumer durables, it suggests there is a significant market for a "last car" for retirement. "Reliability, durability and buying British were frequently expressed objectives."

Attempting to explain why this growing sector of the population has been ignored, our researchers once again come up against the red-face factor. In proper academic fashion, the credit and the blame are nicely shifted. "The main reasons postulated for this neglect fall into three categories . . . first their supposed lack of buying power, the second involves the sterotyping of the old as powerless (Gelb 1977), ugly (Klippel 1974), dowdy or uninspiring (Loudon 1976) in conjunction with an obsession on the part of marketers with the young (Bartos 1980)."

Marketing abstracts

Advisors and decision-makers in production elimination. G. J. Avlonitis in Industrial Marketing Management (U.S.) February 1985 (10 pages).

Reports on how the decision to eliminate products is taken *in engineering companies;* examines who the main participants are in the elimination process, and discovers top management and marketing to play significant roles in most companies; management (in committee form) are the decision-makers, and marketing are the principal advisors.

Marketing and the internal auditor. V. Murray in Internal Auditing (UK), March 1985 (6 pages).

Taking the general stand that internal auditing is concerned with the evaluation of operational cost-effectiveness in an *organisation, examines how* internal audit can contribute to the marketing function in the areas of product suitability, price competitiveness, quality, distribution and after-sales service.

Physical distribution marketing interface responsibility. P. M. Lynagh and R. F. Poist in International Journal of Physical Distribution and Materials Management (UK), Vol. 14 No. 6 (13 pages).

Finds that the organisation of physical distribution as a separately-managed department produces conflict, particularly *at the marketing interface.* Analyses survey results, demonstrating the need for a co-ordinated approach producing joint responsibility leading to a unified marketing/PD department. Looks at the need for top management support and recommends a programme of education and organisational change backed by improved information systems.

Postal market research. E. W. Whitley in Journal of the Market Research Society (UK), January 1985 (9 pages).

Describes how Reader's *Digest uses postal research* questionnaires to determine levels of interest in new books and purchasing motivations, claiming up to 50 per cent response in many cases; touches upon the question of non-respondents, and examines ways of maximising response by, inter alia, questionnaire design, covering letters and incentives. Explores the advantages claimed for postal research.

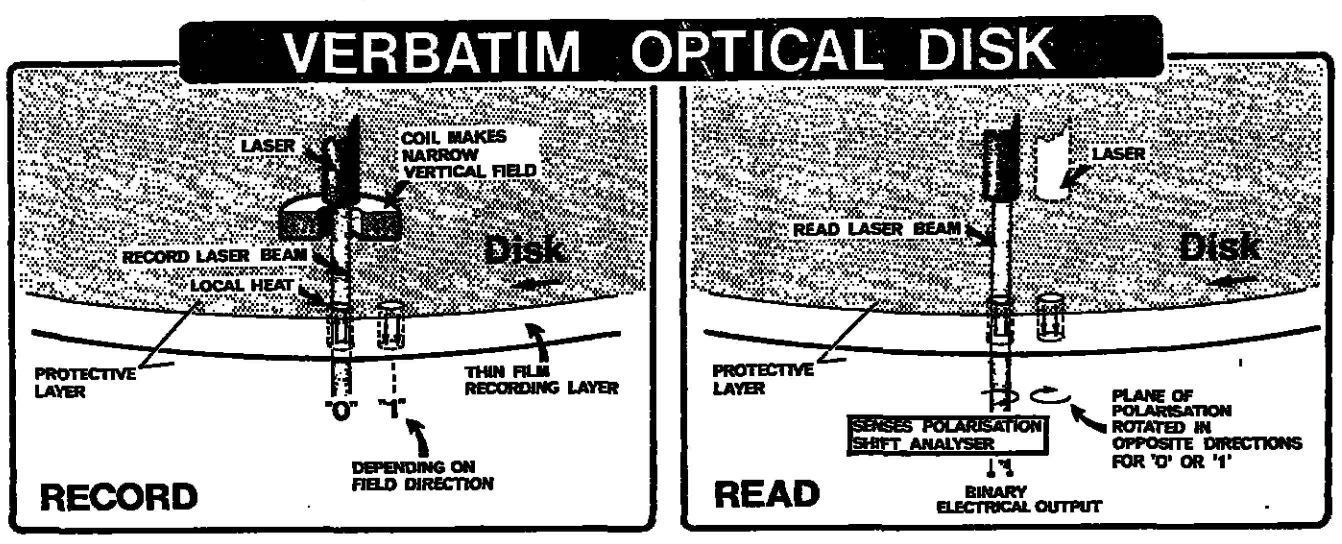
These abstracts are condensed from the abstracting journals published by Anbar Management Publications. Licensed copies of the original articles may be obtained at £3 each (including VAT and p+p; cash with order) from Anbar, PO Box 23, Wembley HA9 8DJ.

TECHNOLOGY

EDITED BY ALAN CANE

Verbatim's erasible optical disk will revolutionise personal computing, reports **Geoffrey Charlish**

New disk brings forty-fold rise in computers' data storage capacity



The Verbatim erasible disk uses two different effects for recording and reading.

To record, a narrow laser beam acts at the same time as a magnetic field. The laser heats the thin metallic film, "loosening" the magnetic particles which are then magnetised in an upward or downward direction by the minute field area from the coil, and forming a erasible digital "0" or "1" on cooling.

On playback, a laser beam of plane polarised light, on passing through either a "0" or "1" in the film, suffers a rotation of polarisation either clockwise or anti-clockwise.

The light passes to an analyser which senses the direction of the shift and produces an electrical output of "0" or "1".

VERBATIM Corporation, the Califoznian flexible disk manufacturing company recently acquired by Kodak, is developing a 3.5 inch erasable optical disk system for computers which will increase dramatically their data storage capacity.

The disk will store at least 20,000 typewritten pages (40m characters, or 40 megabytes of data)—40 times the amount a conventional 3.5 inch magnetic oxide floppy disk can tore.

Verbatim predicts bulk prices of about $300 for the drive and $20 for a disk. These are similar to those of current equipment but the much greater capacity will completely change the price/performance basis of personal computing.

The company plans to have evaluation units of disk and drive available in the second quarter of 1986 and to be in full production by the end of 1987.

Most of the optical recording systems announced so far are large scale non-erasable systems suitable for bulk, read-only storage of data in large organisations.

The U.S. Library of Congress and GA (USA) for example, have systems from Thomson CSF while in the UK, Pergamon recently revealed that it would be using Drexler technology in an undisclosed publishing application. Ciba Geigy in the UK will be another Drexler user, while Blue Cross insurance group in the U.S. will apply the technology to medical record keeping.

In Germany, Die Zeit and Stern magazine are using the Philips Megadoc system for storing journalists' reference material.

Several European users have moved from microfilm and COM (computer output on microfilm) to optical disks, for ease of access.

Non-erasable optical recording systems use a very small focused laser beam to make microscopic pits on the surface of the disk. The pits represent on-off digital pulses of computer signals—a kind of microscopic, high speed Morse code. On playback, they are illuminated by another laser and read by a light sensor.

Once made, the marks cannot be erased, although some experts feel that, with the enormous capacity provided for recording (300,000 pages on a 12 inch disk says Philips), it makes sense to write new records and ignore the old.

Although Sony and other companies have developed erasable technology (Sony has sold a large scale system to NKK, the Japanese international telephone authority), Verbatim claims to be the first U.S. company to tackle the small computer systems end of the market.

It is convinced that compact, ultra-high volume storage for personal workstations will form the main market demand in the next decade and puts the 1990 world market at $1bn. It is developing disk material, disk, and the drive mechanism.

Progress in conventional magnetic recording is becoming increasingly difficult as the number of on-off impressions per inch increases. (The impressions represent bits, or fundamental digital units.)

The distance between playback head and surface has to be reduced as the recording density (bits per inch) is increased, in order to pick up the increasingly small and weak recording satisfactorily. Each doubling of the density halves the head-disk distance so that, at 15,000 bits per inch the clearance is only 0.4 microns (millionth of a metre).

Improvement in the number of tracks per inch (measured across a radius) is also at its limits in ordinary magnetic recording. Even with precision track following systems, 1,000 tracks per inch is likely to be the limit, says Verbatim.

By contrast, 15,000 tracks per inch are in use in optically recorded video disks that sell for only $500.

The team at Verbatim, led by Dr Geoffrey Bate, senior vice president for engineering, has developed a recording technique that involves thermal, magnetic and optical phenomena.

Recording takes place thermomagnetically by combining a magnetic field and a focused laser beam which heats the surface material locally to reverse the direction of magnetisation.

The exact composition of the surface film is not revealed, but the company describes it as an "optimum composition of terbium (a rare earth metal), iron and cobalt."

The data is stored in the form of regions of opposite magentisation in the film. The direction of magnetisation is perpendicular, rather than in the plane of the film. This means that the tiny magnetic rod elements are stacked rather like corn in a corfield, allowing more to be accommodated than in conventional magnetic recording, where they lie flat.

Reading is accomplished using the magneto-optical effect. Polarised light is passed *through the very thin recorded* film and its plane of polarisation is rotated clockwise or anti-clockwiset according to the direction of magnetisation. That is, according to whether a digital "0" or "1" has been recorded.

Large-scale mailing goes fully automatic

DOCUMENTS THAT come through the mail—gas and electricity bills, rates demands, bank statements, subscription documents—are often produced on a computer printer, separated, trimmed, folded and put into an envelope, either by hand or machine. It all costs money.

Moore Paragon, the London business forms and equipment maker, has developed a system *called Speediseal that does* away with the envelope altogether, without prejudicing the security of the contents.

In a rapid, continuous operation, Speediseal produces a complete mailable item using a specially designed web of forms incorporating translucent windows and heat-sealed adhesive edges.

Machinery is supplied which, after printing on the customer's computer printer, foldsthe document to bring *the heat* seal edges together to form an "envelope," trims off the paper's tractor holes, separates the web into separate "letters" and then heat seals them ready for mailing.

Window, fold and printing are such that in the final item, the name and address of the recipient are clearly visible.

Although such "self mailer" systems are already on the market, they involve making carbon impressions with an impact printer through the outer of the sealed item for security reasons *(for example,* where personal payments are involved). This avoids having confidential information visible to operators for any length of time.

Speediseal allows original printing, which is clearer and less alterable, using a non-impact printer if desired.

Moore Paragon offers two variants of Speediseal, single part and two part. The single part system uses only one web of standard printed forms which are passed through the printer for the variable data (name, address, payment figure, etc.) to be added. Subsequent machinery then immediately folds the web, trmis it and bursts the transverse performation to give separate "letters."

Using sufficiently stiff paper, the rear side of the single fold document can incorporate a cheque, allowing organisations to make payments as well as demand them.

The conventional separate document inside an envelope can also be produced by the Speediseal two-part system. Here, two separate webs are ushed. One, which does not pass through the printer, has heat sealing edges and translucent windows.

All the data is printed on part two. The two parts are immediately brought together, detached from their webs, trimmed, folded and sealed, with the one inside the other.

The company says that the heat-sealing edges are not affected when the documents are printed by processes that themselves use heat to fuse *the print, such as laser* printers.

Moore Paragon is at 75 Southwark Street, SE1 (01-928 9022).

Cool move helps to preserve living tissue

A RESEARCH technique for preserving living cells by cooling without freezing has now been made commercially available by Pafra, a company in Basildon, Essex, better known for its synthetic adhesives and adhesive applicator.

The technique is the brainchild of Dr Felix Franks, senior research fellow in biophysics at Cambridge University. He calls it "undercooling" and it is said to confer the advantage of low temperature — which is known to preserve living tissue virtually in a state of suspended animation—without forming ice crystals which damage living tissue.

According to Pafra, Dr Franks' technique can be applied by biotechnology companies anxious to store valuable micro-organisms, animal and plant tissue banks and pharmaceutical and chemical companies.

Pafra will carry out the undercooling process either as a complete service including storage of the preserved tissue or it will license companies to use Dr Franks' process.

Standard cold preservation techniques involve immersion in liquid nitrogen which certainly suspends the living processes in the cells but which also almost certainly destroys them through the formation of ice crytals.

Undercooling eliminates freezing altogether. The living cells are first dispersed in a smal lamount of an inert oil together with a small amount of growth medium to maintain their viability.

They are then mixed in a laboratory blender for a few minuntes before being transferred to plastic tubes for storage in a freezer where the oil sets to a jelly.

The gels can be returned to room temperatures without special precautions. With the Franks' method, the company says, yeast cells can be undercooled to below minus 20 deg C for at least 16 weeks with no loss of viability. Tissues from pea and potato shoot tips to human red blood cells have been undercooled successfully.

The technique sounds simple, but Mr M. M. Kochmann, managing director of Pafra, says successful use of the process involves careful biological assessment of the tissue.

ALAN CANE

New modem for IBM PCs

LEADING DATA communications specialist Racal-Milgo of Hook, Hampshire, has developed a simple slot-in unit on a printed circuit board *that will allow users of* the IBM personal computer to communicate over British Telecom networks.

This modem (modulator/demodulator) is claimed to be the only one available that will transmit data through a private automatic branch exchange (PABX) as well as over a direct telephone line. It automatically selects tone or pulse dialling as required and *is fully approved by BT.*

Fitted by the user in a few minutes, this "personal modem" will give access to Prestel, the BT-Gold electronic mail service, to other databases or to a mainframe computer. It will converse with other IBM PCs (and compatible machines) and allows incoming material to be edited before storage on disk or paper.

Priced at £450, including the software, the personal modem replaces the asynchronous communications card or the videotext card within the PC, greatly extending its abilities.

Forecasting for casting

THE LOS ALAMOS National Laboratory has developed a computer program which simulates the way molten metal will cast before it is poured into the mould.

The program, called CAS, is said to be unique because it simulates real operating furnace and casting systems rather than idealised moulding conditions.

Scientists at Los Alamos have been able to predict, for the first time, defects in a component by modelling its casting.

The laboratory's supercomputer was needed to run the program, so complex were the materials problems.

BUSINESS LAW

Why English traders make timid litigants

BY CELIA HAMPTON

THE ENGLISH distaste for U.S. anti-trust law was highlighted last Wednesday during the American Bar Association Convention. "An instrument of torture," was one verdict, "the deepest source of legal conflict across the Atlantic" another.

The distaste focuses on the individual litigant's capacity to use the law to extort what appears to be an arbitrary and excessive compensation — think of a number and treble it. The anti-trust activities of the Department of Justice may lead to disappointment or retraction of a deal, put public regulation is a commonplace on the international commercial scene and does not provoke resentment or indignation in the peculiar way that a private antitrust suit does.

It would clearly be unpopular to allow punitive damages for anti-competitive conduct, but why is it that English litigants have failed to use the available law to bring private actions? Why do American firms dive in from the high board while we barely dare to wet our toes?

This was one of the interesting aspects of the UK's policy on business competition raised by Sir Gordon Borrie, Director-General of Fair Trading, when he addressed the Law Society's commerce and industry group earlier this month. One of the answers is the scarcity of law.

There is, of course, the common law of unfair trading (*passing off, slander of goods, some conspiracies*) which is much more limited in scope than modern competition policy. Yet loss may be suffered by a company from less specific anti-competitive practices—conduct which "has or is intended to have the effect of restricting, distorting or preventing competition."

Post-war legislation, however, gives little scope for private litigation. Under the Fair Trading Act 1973 and the Competition Act 1980, the law itself takes a subsidiary role to economics. Only the administrative authorities are given power to act and their discretion is so wide that there is no tangible legal duty that an individual could sue on.

The only case in which the courts have apparently considered the legislation involved merger control* and they gave the administrative authorities leave even to disagree among themselves. The Monopolies and Mergers Commission recommended by a 4:2 majority that a particular takeover would be against the public interest. The Secretary of State, with the support of the Director-General, decided to allow the takeover because they took the view that *detriment to the public interest* had not been proven. The Queen's Bench Divisional Court ruled that the Minister had an unfettered discretion in the matter. The law is essentially benign to takeovers and the only legal consideration against them is operation against the public interest, largely an economic judgment.

So there is no remedy here against hostile takeover bids. Nor would there be for another undeniably anti-competitive practice — predatory pricing.

The law is benign to takeovers and the only legal bar to them is operation against the public interest—an economic judgment

Sir Gordon quoted a good example arising from a "privatisation." A long-distance coach company, threatened by competition from a newcomer, advertised free travel to its passengers for an indefinite period. After a complaint from the aspiring competitor, Sir Gordon intervened informally and got the coach company to charge fares again. However, the competitor would have had no enforceable right to enter the market either at common law or under legislation.

Another area which is *largely policed by the authorities* and left unattended by private actions is the Restrictive Practices Court. The Act of 1976 gives the Director-General, who is in charge of registering restrictive agreements, the sole power to apply to the court in general. However, an avenue of private litigation arises under section 35 of the Act. An agreement which has not been registered when it should gives any person who may be affected by it the right to sue for breach of the duty to register. What appears to be the only case on this subject was settled just before it went to court. It concerned companies supplying the Post Office with grossly over-priced equipment.

The Resale Prices Act 1964 gave retailers who are refused supplies the right to sue the supplier. The dearth of litigation suggests that the com*plexity of factual disputes* resulting from the supplier's defence of "loss leading" has deterred private litigants here also.

The EEC competition rules seem likely to provide a more tangible right of individual action for restrictive agreements or abuse of a dominant position in the market. The Treaty provisions are embodied in the European Communities Act 1972 and the House of Lords has acknowledged† that damages would be available for a violation of the Treaty. (The actual decision is tantalising because it concerned a preliminary injunction rather than damages and, by treating the case in the English law way as "breach of statutory duty," this raised complex issues.)

Any extension of the individual right of action would seem to be inappropriate, therefore. If the existing, albeit scarce, law is rarely used, there is hardly a case for introducing new remedies.

The secret would seem to lie with the Office of Fair Trading —*Sir Gordon and his staff of* 330. Companies and lawyers are encouraged to approach the OFT for confidential guidance. On a merger, there is no duty to notify but it is as well to know whether the authorities are likely to oppose it if it goes ahead. On say, a distributorship or franchising agreement, the OFT will not only point out where it is itself likely to object but will even offer assistance in the drafting.

If a potential litigant thinks he has a right of action under the Restrictive Practices Act, his best course would seem to be to report the offending practice to the OFT, let the OFT intervene and then induce the parties to make a handsome settlement with him.

Whether or not use of these functions has stopped many lawsuits in the past, the Director-General would certainly encourage recourse to the OFT in future. It has a terrific cost advantage.

And this surely leads to the basic reason for the divergence between U.S. and UK practice. With a contingency fee system for paying lawyers, and more litigious habits generally, U.S. companies have less to lose and much to gain by a private anti*trust suit. In the UK, the cost* of an action even in well-trodden areas of the law is great, in time as well as money, but in areas of novelty and uncertainty the threat is immense, with the House of Lords a likely destination after many years' delay.

* * *

Sir Gordon had an alarming warning affecting the personal freedom of any lawyer, director or manager of a company which has been involved in a registered restrictive agreement. Unless discharged, the terms of an undertaking given to the Restrictive Practices Court remain in force indefinitely. In one case there was a time lag of 9½ years.

Breach of the undertaking is a contempt of court. The court takes a strict view and expects a company's system to preserve the memory of the undertaking despite staff changes, etc. According to Sir Gordon, the court would like to see more action being taken against indi*viduals for breach of undertak*ings, and it has warned darkly that the available penalties are "not exclusively financial."

** R v Secretary of State for Trade, ex parte Anderson Strathclyde (1983) 2 A11 ER 233.*

† Garden Cottage Foods Ltd v Milk Marketing Board (1983) 2 A11 ER 770.

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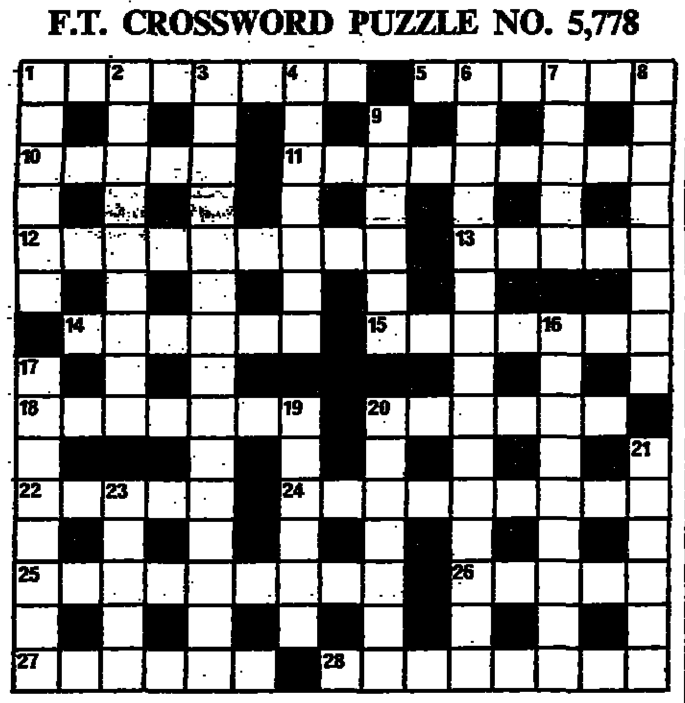
Celia Hampton is assistant general editor of the International and Comparative Law Quarterly, editor of the Bulletin of Legal Developments and author of Criminal Procedure.

F.T. CROSSWORD PUZZLE NO. 5,778



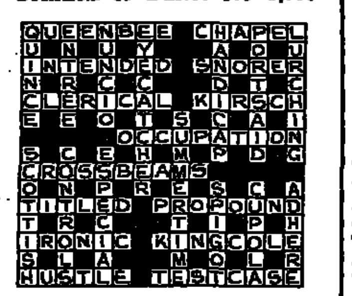
ACROSS

1 Useful for cracking the surface before a dip at breakfast time (3,5)
5 Resign because of one's self-image? (6)
10 Food and drink to someone (5)
11 The canter adjusted for a jump (9)
12 Suspects water vapour causes oxidation (9)
13 Put your towel, if not your shirt, on it (5)
14 Doctor got out of bed in a bad mood (6)
15 A set preliminary (7)
18 Gave patient attention (7)
20 Confront with a small account charge (6)
22 Disguise the point of cricket (5)
24 Try naming Cook's vessel (9)
25 Victor or William, perhaps (9)
26 Split the pot (5)
27 Is among those left to fight (6)
28 Local draughtsmen? (8)

DOWN

1 Bury someone—because of the wrong note given to the doctor? (6)
2 Ex-prime minister pleased with new design of notes (9)
3 Possibly see pro hit so true (5,10)
4 Exercise supervision in place of a bishop (7)
6 Business expenses liable to cause a storm? (8,7)
7 Medium for broadcasting three variations (5)
8 How bounders are caught unawares? (2,3,3)
9 Assist in stoppage (6)
16 Music said to get in the dough (9)
17 Good man rebuilt a crock—for racing? (5,3)
19 Dismal doctor takes a year off (6)
20 Road ran into the country (7)
21 Troubles due to many pay increases (6)
23 Sells, but closes after five (5)

Solution to Puzzle No 5,777



APPOINTMENTS

NatWest regional director

Mr Coningsby Allday, chairman and chief executive of British Nuclear Fuels, has been appointed a director of NATIONAL WESTMINSTER BANK'S north regional board. A director of British Nuclear Fuels since its inception in 1971, he was appointed chief executive in 1975 and chairman and chief executive in 1983. He has been a member of the Atomic Energy Authority since 1976.

Mr Dick Carter has been appointed manager of National Westminster Bank's world travel service (travel cheques) based in Manchester. He succeeds **Mr Roy Holgate** who retires on July 31. Prior to his new appointment Mr Carter was senior accounts executive and vice-president of NatWest's Los Angeles representative office.

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Mr G. Stuart G. Brown will join CRYSTALATE HOLDINGS in August as finance director. He is finance director of Trade Finance International, a position he has held since 1983, and was previously group finance director of the Berec Group.

Mr Stuart Brown to be finance director of Crystalate Holdings

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Mr Alan Hare has been appointed deputy chairman of *THE ECONOMIST, succeeding* the **Earl of Drogheda**, who has retired. The Economist is 50 per cent owned by the Financial Times, of which both Mr Hare and Lord Drogheda were at one time chairman.

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Mr Mick Noble has been appointed managing director of IDEAL HOMES (MIDLANDS). *He was formerly* technical director. Ideal Homes is a member of the Trafalgar House Group.

*

PRIME COMPUTER, INC., Natick, Massachusetts, has divided its European subsidiary operations geographically into two regions, Northern and Southern Europe. **Mr Malcolm Padina** and **Mr Charles Picasso**, respectively, have been promoted to vice-presidents of those regions. Both will continue to act in their prior positions, Mr Padina as managing director of Prime Computer (UK) Ltd., and Mr Picasso as director of marketing support, Europe, Middle East and Africa, until successors have been named.

Mr John Jarvis, formerly European director of finance and administration, has transferred to Prime Park as director of finance and administration, international marketing operations. **Mr Robin Shelton** has been appointed director of finance and administration at European headquarters in London. He was formerly director of finance and administration for Prime UK. In the UK, **Mr Richard Harding** has ben promoted to director of finance and administration. He was financial controller.

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L. M. ERICSSON, international telecommunications group, has formed Ericsson Network Engineering to market network construction and engineering services to the UK-based international project engineering and construction industry. **Mr Jahn Wennerholm** has been apopinted managing director of the new company which will be based in London.

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GEEVOR TIN MINES has elected **Mr K. A. Gilbert** as executive deputy chairman. He was managing director. **Mr L. J. M. Mayne** joins the board as managing director. He was manager.

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Mr C. J. Steer has been appointed industrial sales director of ENGELHARD specialty metals division. He was export marketing manager in STC Components.

Changes at Hepworth

Mr John Roberts has been appointed group corporate director of J. HEPWORTH & SON. This is a new appointment. Mr Roberts, who is a solicitor, is a partner in Cuff Roberts North Kirk, Liverpool. He will be responsible for running the group's property holding company, legal department and administration services in addition to *his responsibility* for corporate planning. **Mr Neil Fairley** has been appointed director of marketing (retail) with responsibility for "next." Mr Fairley has been a consultant to "next," he has also worked on behalf of British Equestrian Promotions, Nestles and Philip Morris. **Mr John Nicholson** has been appointed distribution and *transport director. He worked* previously for the Burton group where he was general manager of High Street Transport.

J. Hepworth & Son has reached agreement to acquire the Forward Trust Group's 49.9 per cent minority interest in Club 24, the group retailer credit card subsidiary. **Mr Tom O'Malley** has been appointed managing director of Club 24. He was previously managing director of First Co-operative Finance and prior to that managing director of Forward Trust. **Mr Peter Hartley** has been appointed finance director of Club 24. He was finance director of First Co-operative Finance. **Mr Irving Slifkin** has been appointed manager credit and collections, Club 24. He joins from Forward Trust.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
80, Holdenhurst Rd., Bournemouth 0345 717373

High Income				
Gilts & Fixed Inc.	112.8	119.4xd	+0.1	10.65
High Inc Equity	68.5	72.9xd	+0.1	6.76
Worldwide Bond	142.3	151.4	-0.1	6.41
Capital Growth				
American Growth	134.9	143.5xd	-0.1	2.20
Asian Pacific	46.7	49.7	-0.2	2.51
Assets & Ergs. Tt.	71.3	76.3	+0.1	2.94
Capital Reserve	58.2	58.9	+0.1	—
Commodity & Engy.	68.1	73.2	-0.2	3.39
European Capital	47.2	50.2	-0.1	2.99
General	98.5	105.3xd	+0.3	3.80
Japan	137.2	147.5	+0.3	—
UK Growth Acc Units	95.7	102.9	+0.3	—
UK Growth Dist	67.3	72.4	+0.2	2.13
U.S. Emerging Co's.	54.0	58.1	+0.1	0.45
Equity Prog.	151.8	162.3	+0.3	3.25

Brown Shipley & Co. Ltd. (a)(g)
9-17 Perrymount Rd, Haywards Hth 0444 458144

B.S. Fund	45.8	49.5	(a)	4.47
B.S. Accum.	74.2	79.9	(a)	4.47
Financial	95.4	102.6	(a)	3.26
Growth Accum.	145.6	156.6	(a)	—
Growth Income	94.9	102.1	(a)	1.99
High Income	46.9	50.5	(a)	7.54
Income	54.3	58.4	(a)	6.45
North American	49.1	52.9xd	(a)	1.28
Orient	44.2	47.6	(a)	0.26
Recovery	25.7	27.7	(a)	3.74
Technology	109.4	117.7	(a)	0.80
Exempt	159.0	164.9	(a)	3.44

Buckmaster Management Co. Ltd. (a) (c)
The Stock Exchange, EC2P 2JT. 01-588 2868

General Inc July	158.3	166.3xd		4.45
Accum Units July 18	246.0	258.5		4.40
Income July 24	71.7	75.3	-0.6	6.35
Accum Units July 24	120.3	126.4	-0.9	6.35
Intl July 23	99.7	104.1		2.86
(Accum Units) July 23	129.6	135.3		2.86
Smaller Co's July 19	825.7	880.4xd		1.62
(Accum Units) July 19	866.3	923.6		1.62

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood. 0277 227300

G. & A.	84.8	89.4	...	4.09

G.T. Unit Managers Ltd.
8th Floor, 8 Devonshire Sq., London, EC2M 4YJ. 01-283 2575. Dealing: 01-626 9431.

Capital (Inc)	68.8	73.6		1.9
Capital (Acc)	96.2	102.8		1.9
Income	60.3	64.5	-0.2	6.9
Liquid Reserve	104.1	104.1		4.1
Pension Exempt	122.4	128.2	-0.1	2.4
International	107.2	114.7		0.6
U.S. & General	50.1	53.6	-0.1	1.5
Tech & Growth	70.0	74.9	-0.9	0.8
Japan & General	121.1	129.5	+0.4	0.4
Far East and Gen	68.1	72.9		1.0
European	133.1	142.4	-0.2	0.6

Gartmore Fund Managers (a) (c) (g)
2 St Mary Axe, EC3A 8BP. 01-623 1212

Lloyds Bk. Unit Tst. Mngrs. Ltd. (a)
Registrar's Dept., Goring-by-Sea, Worthing, W.Sx. 0903 502541. Dealing 0444 459144

Balanced	138.5	148.1	+0.2	3.89
Do. (Accum.)	240.3	257.0	+0.3	3.89
Energy Inc	46.7	49.9	+0.3	2.79
Do (Accum.)	50.1	53.5	+0.3	2.79
Extra Income	112.2	118.9	-1.1	6.89
Do (Accum.)	194.0	207.4	-1.9	6.89
Income	195.5	209.0	+0.7	5.51
Do. (Accum.)	371.6	397.4	+1.3	5.51
Int. Technology	135.0	144.3	+0.5	0.64
Do. (Accum.)	139.9	149.6	+0.6	0.64
N. American & Gen	85.8	91.7xd	+0.1	1.65
Do. (Accum.)	91.8	98.1	+0.2	1.65
Pacific Basin	82.2	87.9	-0.2	0.76
Do (Accum.)	85.1	91.0	-0.7	0.76
Small Cos. & Recy.	135.5	144.9	+0.4	1.79
Do. (Accum.)	149.6	159.9	+0.4	1.79
Worldwide Growth	130.3	139.3	-0.4	1.54
Do. (Accum.)	181.6	194.2	-0.5	1.54

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AUTHORISED UNIT TRUSTS & INSURANCES

Pearl Trust Managers Ltd. (a)(g)
252, High Holborn, WC1V 7EB 01-405 8441

Pearl Growth Fd	59.3	63 1	+0.2	3.59
Accum Units	87 6	93.2	+0.2	3.59
Pearl Inc	84 3	89 7		5.29
Pearl Unit Tst.	87.5	93.1	+0 1	4 48
(Accum. Units)	148.0	157.4	+0.1	4.48

Perpetual Unit Trust Mngmt. (a)
48, Hart Street, Henley on Thames. 0491 576868

Growth	175 4	188.3	+0.6	1.53
Income	131.5	140.6	-0 1	5.46
Worldwide Recovery	99.3	106.4	+0.1	2.14
American Growth	56.8	61.9	-1.6	0.68
Intl. Emerging Cos.	56.0	60.1	+0.2	0.79
Far East Growth Fd	45.8	49.2	-0.1	1.00

Prolific Unit Trusts
222, Bishopsgate, EC2. 01-247 7544/7

Prolific Far East	99.8	106.9	+0.5	0.27
Prolific Extra Inc	58.7	63.0xd	+0.2	6.41
Prolific Gilt Cap.	81.4	84.7	-0.1	3.25
Prolific High Inc	121.9	130.8	+0.1	5 78
Prolific Intl	81 6	87.4		1.90
Prolific N. Amer.	115.6	123.9	-0.2	2.57
Prolific Spec. Sits	129.4	138.8		1.77
Prolific Technology	99 4	107.0	+0.2	1.04

Providence Capital Fd. Mgrs. Ltd.
30 Uxbridge Road, London, W12 8PG. 01-749 9111

Jupiter Trust	47.4	50.2	+0 4	0 00
Worldwide	46 9	49.7	+0.1	1.65
European Trust	48.4	51.9		1.69
North American	49.2	52.0	+0 4	2.15
UK Equity	47 7	50.5	+0.1	4.04

Prudential Unit Trust Mngrs Ltd. (a) (b) (c)
51-69, Ilford Hill, Ilford, Essex, IG1 2DL 01-478 3377

Holborn Equity Tst	303.5	322.8	+0.8	3.89
Holborn Gilt Tst.	153.1	160 1	+0.3	8.82
Holborn High Inc	53.3	56.6xd	+0.1	7.44
Holborn Intl	58.3	62.0xd		0.61
Holborn UK Growth	60.2	64.0	+0.1	5.29

Quilter Management Co. Ltd.
31-45 Gresham Street, EC2. 01-600 4177

Quadrant Gen. Fd	304.4	323 9		3.72
Quadrant Income	168.9	179 7xd		7.00
Quadrant Intl. Fund	291 1	306.5		1.55
Quadrant Recovery	187.1	199.1		3.38

Reed Stenhouse Inv Services Ltd
145 Borough High St, Ldn SE1 1NY 01-628 6011

Wellington Inc	48.8	51 9		6.00
Wellington Growth	98.1	104 4		2.00

Reliance Unit Mgrs. Ltd.
Reliance Hse, Tunbridge Wells, Kent. 0892 22271

British Life	127 2	134.5	+0 1	5 06
Reliance Unit Tst (Inc)	80 9	86.4	+0.2	4.89
Reliance Ut Tst (Acc)	104.4	111.5	+0.3	4.89

Ridgefield Management Ltd.
35 Fountain St, Manchester M2 2AF. 061-236 5685

Income UT	86 4	91.3xd	-0.5	7.37
International UT	204 1	218.2xd	+0.6	1.10

N.M. Rothschild Asset Management
St Swithin's Lane, London EC4. 01-280 5456

NC America (Inc)	224.7	236.5xd	-2.2	1.41
NC America (Acc)	240.8	253.4xd	-2.3	1.41
NC Engy Res. Tst.	151.2	159.1	+0.7	2.58
NC Inc Fd.	65.1	68.5		5.20
NC Japan Fund	100.8	106.1	-0.2	0.02
NC Smaller Cos	99.4	104.6	+0.3	2.25
NC Smaller European	102.1	107 4	-0.2	0.82
NC Exempt Gilt Tst*	£120.0	125.0		10.74
NC American Prop*	$11.21	11.80xd		—
NC Prop.*	178.0	196 0		—

*Unauthorised Unit Trusts.

Rowan Unit Trust Mngt. (a)
1 Finsbury Av, London, EC2M 2PA. 01-606 1066

American July 18	188.5	192.5		1.58
Securities July 23	527.0	542.0		2.69
High Yield July 19	128.5	132.0		5.95
Merlin July 24	258.5	266.5xd	-4.5	2.02
Fixed Interest	152.5	153.5	-0.5	2.83
High Interest	119.5	120.5xd	-0.5	12.35
Far East July 23	114.5	118.0xd		1.17

Royal Life Fd. Mgmt. Ltd.
New Hall Place, Liverpool L69 3HS. 051-227 4422

Equity Trust	44.9	47.7	+0.2	3.40
International Trust	53.4	56.8	+0.3	1.74
United States Trust	26.8	28.5	+0.2	1.95
Pacific Basin	23.3	24.7	-0.1	0.65
Gilt Trust	25.1	26.0		8.08

Royal London Unit Tst Mgrs Ltd
Ryl. Ldn Hse., Colchester, CO1 1RA 0206 576115

American Growth	68.5	72.9xd	-1.5	1.20
Capital Accum	134.7	143.4xd	+0.4	3.48
Gilt Income	50.5	53.2xd		9.60
High Income	54.6	57.5	+0.1	7.28
Income & Growth	64.5	68 7xd	+1.1	5.41
Japan Growth	47.0	50.1	+0 4	0.10
Special Sits	73.4	78.1	+0.1	2.25

Royal Trust Can. Fd. Mgt. Ltd.
48-50, Cannon St, London EC4N 6LD. 01-236 6044

Capital Fund July 15	137.8	147.4		2.1
Income Fund July 15	117.0	125.1xd		6.80
Intl Exempt* June 28	£22.84	23.67		2.90

*Unauthorised

SKG Management Limited
20 Copthall Ave, EC2R 7JS. 01-600 7595

Gilt Acc.	111.7	116.4		3.56
Do. Dist.	107.9	112.4		3.56

TSB Unit Trusts (b) (c) (y)
PO Box 3, Keens Hse, Andover, Hants, SP10 1PG
0264 62188. Dealings to 0264 63432 3

TSB American	93.8	99.8	+0.5	1.46
Do. Accum	96.6	102.8	+0.5	1.46
TSB Extra Income	81.5	86.8		6.61
Do. Accum	90 8	96.6		6.61
TSB General	111.8	118.9xd	+0.2	3.65
Do. Accum	181.2	192.7	+0.3	3.65
TSB Gilt & Fxd Int	46.8	48.8xd		9.48
Do. Accum	57.6	60.0		9.48
TSB Income	154.2	164 1xd		5.37
Do. Accum	232.5	247 4		5.37
TSB Pacific	101.0	107.5xd	+0.1	0.61
Do. Accum	103.5	110.2	+0.1	0.61
TSB International	222.4	236.7	+0.1	1.90
Do. Accum	270 7	288.0		1.90
Natural Resources	44.5	47.4	-0.3	2.85
Do. Accum	45 0	47 9	-0.3	2.85
TSB Slctd. Opps.	43 9	46.8	+0.1	2.67
Do. Accum	47.2	50.3	+0.1	2.67

3i & Target Fund Mgrs Ltd
Target House, Gatehouse Road, Aylesbury, Bucks
Aylesbury (0296) 5941

Small Co's Fund	65.4	69 9		0.10

Target Trust Mngrs. Ltd. (a)(g)
Target Hse, Gatehse. Rd, Aylesbury Bks (0296) 5941

American Eagle	65 4	69 9xd	+0.5	0.27
Australia	27.9	29.8	+0.1	0 10
Commodity	88.4	95.1	-0.7	1.82
Energy	39.3	42.0xd	-0.4	0.83
Equity	92.6	98.8		4.01
European Spec. Sits.	49.8	53.3	+0.6	0.94
Extra Income	87.3	93.4	+0.3	7.76
Financial	189.5	202.1xd	+0.5	3.35
Gilt Capital	218.9	228.2	+0.2	3.25
Gilt Income	103.7	108.6	+0.1	8.82
Gold Income	60 1	64.3	-0.8	2.38
Gold Acc	108.5	116.0	-1.5	2.38
Income	55.2	59.4xd		6.30
Japan	43.5	46.4		0.10
Malaysia & Singapore	23.2	24.7		1.19
Pacific Income	61.9	66.2	-0.4	0.94
Pacific Re Inv	75.0	80.2	+0.5	0.94
Preference Share	15.7	17.0xd		10.19
Professional	444.1	473.7xd	+0 4	1.84
Special Sits	77.1	82.9	-0.2	2.73
Technology	42.4	45.3	+0.3	0.10
U.S. Special Bond	48.7	52.1	+0.3	6.52
Worldwide Capital	104.8	111.8xd	+0.2	1.85
Equity Exempt July 23	578.8	617 4		2.65
Equity Ex Acc July 23	1,063.6	1,134.7		2.65

Temple Bar Unit Trust Mgrs Ltd
Electra Hse, Temple Pl, Vic Emb, WC2. 836 7766

Electra Small Cos. Fd.	117 70	124.18		4.17
High Income	39.6	42.5xd		7 60
North American	99.5	105.9		0.93
Recovery	118.8	126.4		4.02
Gilt Trust	38.3	39 7		9.57
St Vincent U.S. Grth	65.8	68.6		0.98
St. Vincent High Inc.	65.4	67.5		6.65

Touche, Remnant Unit Trust Mngt. Ltd.
Mermaid Hse, 2 Puddle Dock, EC4. 01-248 1250

TR American Growth	27.8	29.9	-0.1	0.24
TR General Growth	35.8	38.1xd		2.50
TR Global Tech	27.3	29.2	+0.2	0.10
TR Income Growth	42.2	45 4xd	+0.1	3.51
TR Income Monthly	37.9	40.4		7.73
TR Overseas Growth	31.1	33.1	+0.1	1.78
TR Smaller Cos	38.5	41.0		2.02
TR Special Ops	39.4	42.6	+0.1	1.26

Trades Union Unit Trust Managers
100, Wood Street, EC2. 01-628 8011

TUUT July 1	123.0	129.5		4.00

Transatlantic and Gen. Secs. (c) (y)
91-99, New London Rd., Chelmsford. 0245-51651

Colemco July 19	354.1	370.5		4.67
(Accum. Units)	565.4	591.6		4.67
Fielding Fd July 18	183.5	193.2		4.10
(Accum. Units)	199.2	209.7		4.10
Fielding Inc July 18	129.2	136.0		5.45
Fldng AM&Gen July 18	201.5	212.3		1.68
(Accum. Units)	226.5	238.5		1.68
S&W American July 24	132.7	139.7	+0.4	2.10
S & W Smaller Secs.	91.1	95.9	+1.2	2.10

Tyndall Managers Ltd.(a)(b)(c)
18, Canynge Road, Bristol. 0272 732241

Australian Securities	62.8	67.3	-0.1	0.73
(Accum. Units)	64.6	69.2	-0.2	0.73
Capital	246.0	260.8xd	+0.4	4.38
(Accum. Units)	428.2	454.0	+0.8	4.38
Exempt	214.8	228.8	+0 4	7 73
(Accum. Units)	465.6	496.0	+1.2	7.73
Far Eastern	114.9	123.0	-0.6	1.06
(Accum. Units)	122.0	130.6	-0.6	1.06
Fin & Prop	38.9	41.5	+0.1	4.17
(Accum Units)	58.8	62.7		4.17
Gilt Capital Trust	115.7	120.3		7.06
(Accum. Units)	126.7	131.8	+0.1	7.06
Gilt Income	105.1	109.0xd		10.04
(Accum. Units)	158.3	164.3		10.04
High Yield	39.0	41.6		7.45
(Accum. Units)	81.0	86.3		7.45
Income	166.8	177.0xd	-0.2	7.07
(Accum Units)	492.2	521.8	-0.8	7.07
Intl. Ems.	116.2	123.8		3.52
(Accum. Units)	164.6	175.4		3.52
International Growth	56.4	60.1	-0.1	1.75
(Accum. Units)	57.7	61.5	-0.1	1.75
Japan Growth (Acc)	56.0	60.2		0.20
Natural Resources	187.2	199.4		2.00
(Accum Units)	265.8	283.2	+0.2	2.00
Nth Amer Grth	106.6	114 1xd	+0.7	1.58
(Accum Units)	122.0	130.6	+0.9	1.58
Pref	108.6	115.8		11.21
(Accum Units)	258.8	275.8		11.21
Smaller Cos.	134.2	143.0	-0.4	2.65
(Accum Units)	175.9	187.4	-0.5	2.65
Smaller Cos. Dir.	43.3	46.2xd	+0.1	7.13
(Accum Units)	47.5	50.6		7.13

هكذا من الأصل

INSURANCE, OVERSEAS & MONEY FUNDS

OFFSHORE AND OVERSEAS

World Fund S.A.
2 Boulevard Royal, Luxembourg

World Fund NAV	$31.71	+0.09	—

World Wide Growth Management
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	$13.35	-0.12	—

Inv. Adv. M & G Inv. Mngt. Ltd, London.

Yamaichi Dynamic Mngt Co SA
104 Boulevard Royal, Luxembourg

Advanced Tech	$9.09	-0.01	—
Dynamic Gwth Fd	$8.16	+0.05	—

Money Market Trust Funds

	Gross	Net	Gr Equiv CAR	Int Cr
The Charities Deposit Fund 77 London Wall, London EC2N 1DB 01 588 1815				
Deposit	12.1	—	—	3-Mth
The Money Market Trust 63 Qn Victoria St, EC4N 4ST 01 236 0952				
Call Fnd	12.55	9.21	13.64	6-mth
7-day Fnd	12.11	9.05	13.39	6-mth
Oppenheimer Money Management Ltd 66 Cannon St, EC4N 6AE. 01 236 1425				
Call Fnd	12.18	9.10	13.42	6-Mth
7-day Fund	12.14	9.07	13.38	6-Mth
Dollar	6.76	—	—	6-Mth
Money Mngt Accs	11.75	8.78	13.16	3-Mth

Money Market Bank Accounts

	Gross	Net	Gr Equiv CAR	Int Cr
Adam & Co. plc 22 Charlotte Sq, Edinburgh, EH2 4DF 031-225 8484				
Full Service Cur Acc	11.75	8.35	12.40	Qtr
Aitken Hume 30 City Road, EC1Y 2AY 01-638 6070				
Treasury Acc	11.875	8.875	13.30	Qtr
Min. Int. Chq.	11.75	8.78	13.30	Mth
Bank of Scotland 38 Threadneedle St, EC2P 2EH 01-628 8060				
Money Mkt Cheque Acc	11.40	8.52	12.65	Mth
Barclays Prime Account PO Box 125, Northampton 0604 252891				
High Int Cheque	11.50	8.625	12.90	Qtr
Britannia Investment Services Ltd. 29 Finsbury Circus, EC2M 5QL 01-588 2777				
Case Allen	11.87	8.88	12.54	Mth
Charterhouse Japhet plc 1 Paternoster Row, EC4M 7DH. 01-248 3999				
Sterling	11.88	8.88	13.44	Mth
U S Dollar	7.00	7.00	7.23	Mth
German Marks	4.75	4.75	4.85	Mth
Swiss Francs	1.50	1.50	1.51	Mth
Japanese Yen	5.00	5.00	5.12	Mth
Citibank Savings St Martins Hse, Hammersmith Grove 01-748 9251				
Cheque Plus	—	10.00	14.83	Qtr
Co-operative Bank Cheque & Save 78-80 Cornhill EC3 01-626 6543.				
£500-£2,500	10.0	7.48	10.99	Qtr
£2,500 +	12.50	9.34	13.82	Qtr
Dartington & Co Ltd Dartington, Totnes, Devon TQ9 6JE. 0803 862271				
Money Mkt Acc	12.25	9.16	13.75	Qtr
Edward Manson & Co Ltd 9 Henrietta Place W1M 9AG 01-631 3313				
Cheque Deposit Acc	12.00	8.97	13.59	Mth
Henderson/Bank of Scotland 38 Threadneedle St EC2P 2EH 01-628 8060				
Money Mkt Cheque Acc	11.40	8.52	12.65	Mth
Lloyds Bank PLC 71 Lombard St, London, EC3P 3BS. 01-626 1500				
High Int Cheque	11.50	8.50	—	Qtr
Lombard North Central PLC 17 Bruton St, W1A 3DH. 01-409 3434				
14-Day Notice	12.375	9.25	13.21	—
M & G/Kleinwort Benson 91-99 New London Rd, Chelmsford. 0245 51651				
H.I.C.A	11.75	8.78	13.07	Daily
Midland Bank plc PO Box 2, Sheffield. 0742 20999 Ext 8738				
High Int Chq.	11.37	8.50	12.70	Qtr
Provincial Trust (formerly Choulartons) 30 Ashley Rd, Altrincham, Cheshire 061-928 9011				
Cheque Acc	12.50	9.34	14.19	Mth
Royal Bank of Scotland plc 24 Lombard St, London EC3V 9BA 031-557 0201				
Premium Account	11.50	8.59	12.85	Qtr
Save & Prosper/Robert Fleming 28 Western Rd, Romford RM1 3LB. 0708 66966				
H I B.A.	11.63	8.70	12.98	Daily
Tyndall & Co 29-33 Princess Victoria St, Bristol. 0272 732241				
Demand Acc	11.875	8.875	12.678	Qtr
Money Acc	11.817	8.833	12.618	Qtr
J. Henry Schroder Wagg & Co Ltd Enterprise House, Portsmouth 0705 827733				
Special Acc	12.10	9.04	13.70	Mth
Over £10,000	12.35	9.23	14.02	Mth
Western Trust & Savings Limited The Moneycentre, Plymouth PL1 1SE 0752 24141				
High Int Chq Acc	12.19	9.11	13.46	Qtr

NOTES—Gross rate to those exempt from composite rate of tax. Net actual rate after deduction of CRT. Gr Equiv CAR. Gross equivalent to basic rate taxpayers—compounded annual rate. Int Cr frequency interest credited.

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ¶ Guernsey gross. # Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ♦ Yield column shows annualised rates of NAV increase.

OPTIONS

3-month call rates

Industrials	p		
Allied-Lyons	16	Midland Bk	30
BAT	32	NEI	8
BOC Grp	25	Nat West Bk	60
BSR	16	P & O Dfd	36
BTR	52	Plessey	17
Babcock	14	Polly Peck	26
Barclays	48	Racal Elect	18
Beecham	32	RHM	11
Blue Circle	45	Rank Org Ord	32
Boots	15	Reed Intnl	50
Bowaters	20	Sears	8
Brit Aerospace	33	TI	20
Brit. Telecom	11	Tesco	20
Brown (J.)	3	Thorn EMI	35
Burton Ord	39	Trust Houses	13
Cadburys	14	Turner Newall	10
Comm Union	19	Unilever	85
Courtaulds	12½	Vickers	19
Debenhams	17½	**Property**	
Distillers	28	Brit Land	12
Dunlop	6	Cap Counties	18
FNFC	8½	Land Secs	25
Gen Accident	45	MEPC	28
Gen Electric	17	Peachey	22
Glaxo	85	Samuel Props	14
Grand Met.	25	**Oils**	
GUS 'A'	60	Brit. Oil & Min.	4
Guardian	60	Brit Petroleum	42
GKN	17	Burmah Oil	18
Hanson Tst.	17½	Charterhall	6
Hawker Sidd.	38	Premier	5
Hse of Fraser	30	Shell	60
ICI	60	Tricentrol	18
'Imps'	18	Ultramar	19
Jaguar	28	**Mines**	
Ladbroke	24		
Legal & Gen	50	Charter Cons	18
Lex Service	28	Cons Gold	44
Lloyds Bank	45	Lonrho	14
Lucas Inds	25	Rio T Zinc	56
Marks & Spencer	11		

A selection of Options traded is given on the London Stock Exchange Report Page.

COMMODITIES AND AGRICULTURE

EEC commission calls for sugar levy rise

BY IVO DAWNAY IN BRUSSELS

EEC COMMISSIONERS yesterday agreed on controversial new restrictions, to be submitted to ministers for approval, on the sugar and starch industries which will hit producers and processors respectively.

After a lengthy debate on sugar, the 14 Commissioners agreed to increase the production levies on both "A" and "B" grade sugar in a new effort to make the EEC's sugar policy self-financing.

The sugar regime has long been held up by the Commission as an effective example of how the costs of export subsidies can be met by the farmers at no expense to the farm budget.

In fact, crashing world prices —down from about 27 cents a pound two years ago to less than 3 cents at times this year —have created an overspend of more than European Currency Units 400m over the past five years.

To balance the books, the Commissioners have proposed raising the producer levy on "A" sugar — the output quota equal to internal consumption levels — from the current 2 per cent to 2.5 per cent. For "B" sugar, the surplus production protected by guaranteed prices and export subsidies, the levy is to be raised from 37.5 per cent to 47 per cent.

Presuming they are approved by the Farm Council, these changes should claw back the overspending over the next five years.

The outcome of the debate within the Commission represents a slight softening of the tough proposals put by farm officials. These had sought a rise to 3 per cent for "A" quota sugar and 50 per cent on the levies for "B" sugar.

The debate in the Commission is also likely to be reflected when ministers meet to discuss the proposals after the holidays. While the British may favour abandonment of quotas for a price restraint system, the French favour a less rigorous approach to B quota output.

The starch proposal may also meet opposition in the council. Yesterday's decision means that production aid for starch used by the food industry will be phased out in three tranches over three years. The Commission claims that food manufacturers have no justification for support as the system was intended to protect them from uncompetitively high Community prices for products such as maize and other cereals.

As these are already supported by agricultural import levies, such aid was no longer needed, the argument goes. Nevertheless, the decision to phase out aid will be greeted with consternation by some manufacturers, particularly in the UK, where it is feared job losses will result.

For "unprotected" starch, used in industry for non-food products and hence unsupported by the Common Agricultural Policy (CAP), aid will continue for a specific list of products.

Special premiums for potato starch — paid largely in the Netherlands to stave off job losses in a highly vulnerable industry—are to continue at a rate reduced in phases from Ecu 18.7 per tonne to Ecu 12.7.

If the changes to both regimes are approved by ministers, they will be implemented from next July for sugar and from August 1986 for starch. Officials said last night, however, that several ministerial meetings may be necessary before the adaptions to the regimes are agreed.

● The EEC yesterday authorised the export of 94,000 tonnes of white sugar at an export rebate of Ecu 45.19 per 100 kilos. It rejected all offers for raws.

The quantity was larger than exported, compensating for the below-average tonnage authorised last week. Firmer conditions on the international sugar market over the past few days have enabled the EEC management committee to drop the rebate below its self-imposed ceiling of Ecu 45.23. London traders continued to complain yesterday of a squeeze on their depressed profit margins.

Prices remain at an extremely low level, but they have risen from historic lows plumbed in recent weeks as the market has digested Brazil's plans to cut back and defer exports this year. Rumours of poor growing conditions in the Caribbean owing to drought have also provided support.

Problems hit Broken Hill lead output

By Andrew Gowers

LEAD OUTPUT from one of Australia's largest producers, Broken Hill Associated Smelters, will fall substantially short of target this year owing to what the company calls "technical and operational problems."

BHAS announced yesterday that production at its Port Pirie smelter will total 200,000 tonnes this year, 30,000 tonnes below planned output and 39,000 tonnes lower than the record production level achieved in 1982.

It said the problems were at the smelter itself, where difficulties with the blast furnace during June resulted in a loss of 10,000 tonnes of lead, and at the Broken Hill lead mine, where operations have been hampered by difficulties with ore grades. As a result, deliveries of lead concentrates to BHAS have been and will continue to be lower than anticipated, and the company will not be able to make good the previous 10,000 tonne shortfall.

The news caused a brief burst of short-covering on the London Metal Exchange yesterday, with prices rising about £7 a tonne in the morning. Traders said the metal's trading range may have been marginally boosted by the announcement.

But analysts do not foresee any major rally in lead. Prices have been subdued for months, with production rising steadily, if slowly, and total consumption actually declining in recent months. Reports that the large Herculaneum lead smelter in Missouri is about to reopen also indicate that any supply shortfalls in Australia will be partly made up elsewhere.

According to the latest metal review produced by LME traders Rudolf Wolff earlier this month, surplus inventories have recently started to rise, having steadily declined

It added, however, that the deteriorating fundamental outlook for lead would partially correct itself later this year as refiners reduced output in response to a shortage of concentrates.

Nancy Dunne on the protracted wrangle over farm policy

U.S. reaps a harvest of discord

"POP . . . PIK . . . DIP . . . they sound more like a breakfast cereal than a deliberative body," said Mr Bill Wilson of the U.S. Feed Grains Council, who was observing the unavailing efforts of the Senate agriculture committee to produce a 1985 farm bill.

Pop, producer operating payments, Pik, payment-in-kind, and Dip, defficiency payments, or subsidies, the various formulas under consideration, are complex and controversial, and no one can say with certainty what the various schemes will cost.

Both congressional agriculture committees are still searching for an elusive concensus on how to achieve an impossible task: they want to save American agriculture and save money at the same time.

Meanwhile, the clock is ticking away. Farmers must decide soon what sort of winter wheat crop to plant, but without any final decision on the wheat provision in the farm bill, they will simply have to guess what price supports will be granted. The farm bills in both houses were due out of committee last week but it will be remarkable if they make it before the August recess.

Mr Donald Regan, the White House chief of staff, met on Monday with several of the farm state senators and emerged with uncharacteristic words of sympathy for the embattled *legislators.*

"Let's face it," he told reporters, "this is one of the most serious problems facing the country. We also know the problem is getting worse."

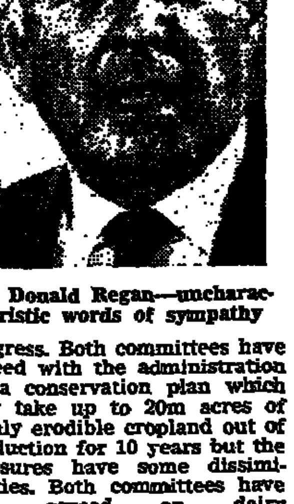
The Reagan Administration has now agreed to add $8bn to the $20.5bn initially earmarked by the Senate for major crop subsidies over the next three years. However, the provisions the Senate agriculture committee have drafted so far are expected to cost about $35bn and the House of Representatives may be even more generous.

The legislators may have "the year's dirtiest job in Congress," according to the Washington Post, but sympathy for them is by no means universal. One lobbyist, after a late night meeting with committee members concluded: "They have no answers at all. They will introduce anything that looks good on a press release."

One such release came from the office of Congressman Tony Coelho, California Democrat, last week. He has introduced an amendment, it announced, designed to address the problems of his apricot farmer constituents, which calls for a study on the impact of agricultural imports from Turkey and Iran on U.S. producers.

Congressman Coelho also sponsored an amendment to limit the President's power to impose a trade embargo on farm exports—a popular measure already addressed this year in the export administration act and three years ago in the re-*authorisation of the* Commodity Futures Trading Commission Act.

All the *posturing* and wrangling has produced some progress. Both committees have agreed with the administration on a conservation plan which may take up to 20m acres of highly erodible cropland out of production for 10 years but the measures have some dissimilarities. Both committees have also agreed on dairy programmes, with even more differences.



Mr Donald Regan—uncharacteristic words of sympathy

The Senate committee approved a Bill which would freeze federal price supports at $11.60 per cwt of dried milk, at least until 1987. It would then permit annual reductions if surpluses are so high that the Government still needs to buy up excessive amounts of milk to maintain prices. But, unlike the House bill, it contains no provision to pay dairy farmers not to produce milk.

Both committees have legislation to *strengthen* U.S. export enhancement programmes, and a concept called "food for progress," which would give commodities to countries trying to set up free market agricultural systems has gained popularity.

While both House and Senate committees seem resigned to granting the Administration the lower loan rates it has asked for "to make the U.S. competitive again," various formulas for income protection and a proposed wheat farmer referendum on mandatory production controls are still under consideration. However, none of these proposals will maintain income at *current* levels and "significant reductions" in the number of farmers can be expected, said a report released on Tuesday by the Corn Growers Association.

According to Mr Varel Bailey, the corn growers' president, the best choice is for the Government to freeze income for at least three years so farmers will have a chance to cope with their problems. Allowing farm incomes to drop, *he said, would* mean more farm bankruptcies, stress on financial institutions and dislocations on the rest of U.S. agriculture. Farm losses may drive up interest rates and boost unemployment by 500,000 the study said.

"You can either pay now or pay later" for federal programmes, Mr Bailey concluded.

Norway in dilemma over whaling ban

BY FAY GJESTER IN OSLO

NORWAY'S GOVERNMENT appears to be split on the question of whether to defy, or accept, last week's recommendation by the International Whaling Commission for a moratorium, next year, on hunting minke whales, one of the smaller members of the whale family. Under IWC rules, a Norwegian protest against the decision must be lodged within 90 days in order to exclude Norway from the ban.

Deputy Trade Minister Mr Arne Synnes believes Oslo should bow to the ban, mainly because Norwegian exports could be seriously hit by environmentalist boycott campaigns

Other considerations also favour complying, Mr Synnes adds. Norway will not be "taken seriously," in the international community, if it accepts only those environmental and conservationist measures which suit its own interests, he said.

The Fisheries Ministry has hitherto advocated resisting any total ban on whaling, which provides an important source of seasonal income for some small Norwegian coastal communities. Last week, however, Mr Thor Listau, the Fisheries Minister, said that if the U.S. should impose sanctions on Norwegian exports as a punishment for violation of the ban—something he believed was unlikely—then Norway would have to fall in line. Faced with the choice between maintaining whaling, or continued Norwegian exports to the U.S., the latter would have to come first, he conceded.

American oil stocks down again

BY NANCY DUNNE IN WASHINGTON

U.S. STOCKS of oil products last week continued to fall behind last year, while, at the same time, the rate of increase of energy consumption slowed in the first six months of the year, according to the American Petroleum Institute (API).

In its report on energy stocks, API estimated crude oil stocks last week at about 330.6m barrels, down almost 4.5m barrels from the previous week and almost 30m barrels below last year at this time.

Distillate stocks rose slightly last week to 107m barrels but are 980,000 behind last year, and stocks of residual fuel oil hovered around the 41.7m barrel level, down 8.7m barrels from 1984.

Electric utilities and industrial users have been switching away from residual fuel oil, the API said.

LONDON MARKETS

LONDON COFFEE futures bounced up yesterday following Tuesday's heavy decline. The September position regained £34 of the previous day's £104 fall at £1,521.50 a tonne after slipping further to £1,430 in the *morning.* Dealers saw the rise as a technical reaction to an over-sold situation. The rally was given extra encouragement by active trade and speculator buying and weaker sterling against the dollar.

Incomplete statistics issued by the International Coffee Organisation at its meeting in London indicated a slight fall in purchases by importing members in the first 8 months of the current coffee year, to the end of May. Figures from 15 members, representing 80 per cent of consumption, totalled 29.54m bags (60 kilos each) against 30.47m in the same period a year earlier.

ALUMINIUM

	Unofficial close(p.m.) £ per tonne	+ or —	High/low
Cash	716-8	+3	—
3 months	739-.5	+8	743/735

Official closing (am): Cash 712.5-3 (717-.5): three months 735-.5 (739.5-40): settlement 713 (717.5). Final Kerb close: 742-43. Turnover: 20,850 tonnes.

COPPER

Higher grade	Unofficial close	+ or —	High/Low
Cash	1095-6	+26	1070/1098
Three m'nths	1071-.52	+10.5	1075/1061

Official closing (am): Cash 1069.5-70 (1056.5-7): three months 1064-5 (1061-5): settlement 1070 (1057). Final Kerb Close: 1069.5-70.

Cathodes			
Cash	1033-6	+10	1030
Three m'nths	1049-52	+11	1045-1046

Official closing (am): Cash 1030-2 (1024-5): three months 1043-4 (1039-40): settlement 1032 (1025). Turnover: 35,075 tonnes. U.S. Producer prices 68-71 cents per pound.

LEAD

	Unofficial close(p.m.) £ per tonne	+ or —	High/Low
Cash	289.5-90.5	+7.5	286
3 months	297-.8	+7	297/293

Official closing (am): Cash 285.5-6 (289-.5): three months 293.5-4 (295-.5): settlement 286 (288.5). Final Kerb Close: 295-5.5. Turnover: 6,775 tonnes. U.S. Spot: 19-21 cents per pound.

NICKEL

	Unofficial close(p.m.) £ per tonne	+ or —	High/low
Cash	3630-40	+100	3565/3562
3 months	3680-90	+97.5	3690/3610

Official closing (am): Cash 3582-5 (3525-30): three months 3633-5 (3575-6): settlement 3585 (3530). Final Kerb Close: 3680. Turnover: 574 tonnes.

ZINC

	Unofficial close(p.m.) £ per tonne	+ or —	High/low
Cash	554-5	+7.5	—
3 months	544-5	+9	547/535

Official closing (am): Cash 551-3 (544-6): three months 541-2 (533-4): settlement 553 (546). Final Kerb Close: 543-44. Turnover: 10,725 tonnes. U.S. Prime Western: 41-41.75 cents per pound.

MAIN PRICE CHANGES

In tonnes unless otherwise stated.

METALS	July 24 1985	+ or —	Month ago
Aluminium	£1100	......	£1100
Free Mkt	$1035.85	—10	$1030/060
Copper			
Cash h Grade	£1084	+26	£1095.5
3 mths	£1071.75	+10.5	£1113.75
Gold troy oz	$318.75	+3.25	$317.25
Lead Cash	£290	+7.5	£304
3 mths	£297.5	+7	£301.75
Nickel			
Free Mkt	227/257c	......	250 288c
Palladium oz	$94.30	—0.45	$98.75
Platinum oz	$271.40	—1.85	$268.60
Quicksilver†	$285/295	......	$295/295
Silver troy oz	433.15p	—1.90	476.35p
3 mths	445.75p	—1.35	489.45p
Tin cash	£9102.5	+35	£10,325
3 mths	£9087.5	+36.5	£9517.5
Tungsten	$67.49	......	$73.74
Wolfram 22 04lb	$62.66	......	$56/60
Zinc	£554.5	+7.5	£617
3 mths	£544.5	+9	£591.5
Producers	$830	......	$860

OILS	July 24 1985	+ or —	Month ago
Coconut (Phil)	$530z	—5	$555
Palm Malayan	$465u	—5	$550
SEEDS			
Copra Phil	$335z	—5	$355
Soyabean (U.S.)	$224.9w	+5.6	‡
GRAINS			
Barley Fut. Nov.	£100.85	—0.40	£96.70
Maize	£157.00z	—4	£146.50
Wheat Fut. Nov.	£101.20	—0.20	£97.65
No. 2 Hard Wint.	‡	......	‡
OTHERS			
Cocoa Ft. Sept.	£1702.5	+8	£1706
Coffee Ft. Sept.	£1521.5	+34	£1977.5
Cotton A Index	59.95c	—0.4	62.60c
Gas Oil Sept.	$220.5	+0.75	$212.75
Rubber (kilo)	63p	—1	66p
Sugar (raw)	$100zw	—8	$86
Wooltops 64s	458pkilo	......	457pkilo

‡ Unquoted. u Aug. x Aug-Sept. w Sept. z July-Aug. † Per 76 lb flask. c Cents per pound.

TIN

High grade	Unofficial close (p.m.) £ per tonne	+ or —	High/low for day
Cash	9100-5	+32.5	—
3 months	9095-100	+36.5	—

Official closing (am): Cash 9070-5 (9070-5): three months 9065-70 (9055-60): settlement 9075 (9076).

Standard			
Cash	9100-5	+35	9075/9070
3 months	9085-90	+38.5	9100/9052

Official closing (am): Cash 9070-2 (9070-1): three months 9080-2 (9050-1): settlement 9072 (9071). Final Kerb Close: 9095-9100. Turnover: 1,040 tonnes, Straits tin M$31.06 (31.05) kilo.

LME prices supplied by Amalgamated Metal Trading

GOLD

Gold fell $3¼ to $318-318½ on the London bullion market yesterday. It opened at $318½-319 and was fixed at $318½ in the morning and $317¾ in the afternoon. Gold touched a high of $318¾-319¼ and a low of $317-317½. Trading was quiet, dampened by the Opec meeting in Geneva and the lack of new U.S. economic data.

GOLD BULLION (fine ounce) July 24

Close	$318-318½	(£226¼-227¼)
Opening	$318½-319	(£226¾-227¼)
M'n'g fix.	$318.50	(£226.852)
Aft'n'n fix.	$317.75	(£226.157)

GOLD AND PLATINUM COINS

Kr'g'r'nd	$325¾-326¼	(£231¾-232½)
½ Krug.	$169-169½	(£120¼-120¾)
¼ Krug.	$86¼-86¾	(£61½-61¾)
1/10 Krug.	$35-35¼	(£24¾-25¼)
Mapleleaf	$327¾-328¼	(£233¼-234)
New Sov.	$75¼-75¾	(£53½-54)
½New Sov	$45½-46	(£32½-32¾)
Old Sov.	$76-77½	(£54¼-55¼)
$20 Eagle	$465-505	(£331½-360)
Noble Plat	$279½-282¾	(£199-201¼)

SILVER

Silver was fixed 1.6p an ounce lower for spot delivery on the London bullion market yesterday at 433.15p. U.S. cent equivalents of the fixing levels were spot 609.2c, down 6.6c, three-month 621.4c, down 6.5c; six-month 634.5c, down 6.6c; and 12-month 661.4c, down 6.3c. The metal opened at 434-437p (610-613c) and closed at 432-435p (606-609c).

SILVER per troy	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	433.15p	—1.60	431.5p	—1
3 months	445.75p	—1.35	444.55p	—0.95
6 months	459.15p	—1.25	—	—
12months	481.20p	—0.50	—	—

LME—Turnover: 25 (75) lots of 10,000 oz.

Cash high/low 433.5: three months high 447, low 444, final kerb 444-5.

GRAINS

The markets opened unchanged and drifted in quiet trading, reports Muirpace.

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yesterdys close	+ or —
Sept	97.75	—0.25	97.30	—0.40
Nov	101.20	—0.20	100.85	—0.40
Jan	105.05	—0.10	104.65	—0.25
Mar	108.35	—0.20	107.80	—0.50
May	111.85	—0.15	110.75	—0.45

Business done—Wheat: Sept 97.95-7.75, Nov 101.40-1.05, Jan 105.05-4.90, March 108.35-8.25, May 111.95-1.80. Sales: 67 lots of 100 tonnes. Barley: Sept 97.50-7.25, Nov 101.20-0.80, Jan 104.65 only, March untraded, May 111.00-10.90. Sales: 114 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1, 15 per cent: Aug/Sept 119.75, Oct 122.50, Nov 124.35, sellers, transhipment East Coast. U.S. No 2 Soft Red Winter: Aug 107.50 Sept 110.25, Oct 113.00, Nov 114.50, sellers. EEC July 117, sellers. English feed, fob: Aug 26/Sept 10 98.75, Sept 98.50, Oct 102.50, Oct/Dec 104.50, Jan/March 109.25, April/June 115, sellers, East Coast/South Coast. Maize: U.S. No. 3 Yellow/French, transhipment, East Coast: July/Aug 137, sellers. Barley: English feed, fob: Aug 97.50, Sept 99.50, Oct 102.25, Oct/Dec 103.50, sellers, East Coast. Rest unquoted.

HGCA — Locational ex-farm spot prices. Feed barley: Eastern 92.90, E. Midlands 94.40. The UK monetary coefficient for the week beginning Monday, July 29 will remain unchanged at 0.945.

COCOA

Futures moved higher in active trading but lost some of the gains during the afternoon. Some light producer selling was noted but consumers declined to follow prices higher, reports Gill and Duffus.

COCOA	Yesterday's Close £ per tonne	+ or —	Business Done
July	1754-1763	+11.0	1765-1757
Sept	1702-1703	+8.0	1714-1695
Dec	1691-1693	+8.0	1698-1684
Mar	1699-1700	+5.0	1705-1690
May	1714-1718	+4.5	1725-1700
July	1730-1734	+5.5	1740-1700
Sept	1742-1746	+6.5	1750-1750

Sales: 3,336 (3,116) lots of 10 tonnes.

ICCO indicator prices (U.S. cents per pound). Daily price for July 24: 101.84 (102.16): five-day average for July 25: 100.65 (100.48).

COTTON

LIVERPOOL—No spot or shipment sales were recorded. Business was lethargic and users avoided forward commitments, being content with existing supplies.

COFFEE

During an active day prices fluctuated within a range of £80-100, reports DBL. Trade selling on the opening preceded a sharp rally as sterling retraced and a wave of trade buying emerged towards the close.

COFFEE	Yesterd'ys Close	+ or —	Business Done
July	1480-1485	+26.5	1480-1400
Sep	1520-1522	+34.0	1525-1430
Nov	1570-1575	+46.0	1580-1480
Jan	1612-1615	+37.0	1615-1525
March	1646-1648	+29.0	1645-1570
May	1670-1670	+10.5	1670-1615
July	1718-1750	+17.5	1720-1655

Sales: 7,336 (4,352) lots of 5 tonnes.

ICO indicator prices (U.S. cents per pound) for July 23: Comp. daily 1979 115.34 (118.14): 15-day average 122.49 (123.37).

INDICES

FINANCIAL TIMES

July 23	July 22	M'th ago	Year ago
260.21	266.12	280.25	292.36

(Base: July 1 1952 = 100)

REUTERS

July 24	July 23	M'th ago	Year ago
1681.9	1686.8	1767.8	1893.8

(Base: September 18 1931 = 100)

DOW JONES

Dow Jones	July 23	July 22	Month ago	Year ago
Spot	115.36	116.59	—	129.26
Fut.	115.63	116.47	—	125.44

(Base: December 31 1974 = 100)

SUGAR

LONDON DAILY PRICE—Raw sugar $100.00 (£71.00), down $2.00 (down £1.00) a tonne for July-Aug-Sept delivery. White sugar $139.00, down $3.50.

No. 6 Contract	Yest'day's close	Previous close	Business done
	$ per tonne		
Aug	96.0-100.0	99.0-101.0	101.0-97.2
Oct	104.0-104.4	106.8-106.2	107.8-103.4
Dec	107.2-107.6	110.2-100.6	110.4-107.6
Mar	116.8-117.0	119.0-119.2	120.4-115.6
May	120.4-120.8	122.6-123.0	122.2-120.8
Aug	124.4-124.6	126.6-127.5	126.0
Oct	129.8-129.8	131.0-131.6	130.0-128.8

Sales: 2,779 (5,194) lots of 50 tonnes. Tate and Lyle delivery price for granulated basis sugar was £173.50 (£175.00) a tonne for export.

International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports.) Prices for July 23: Daily price 3.48 (3.40): 15-day average 2.91 (2.86).

SOYABEAN MEAL

The market opened £1.00-£1.50 down o commission house selling and eased further on trade selling late in the day, reports T. G. Roddick.

	Yesterday close £ per tonne	+ or —	Business Done
August	100.0-111.0	—1.00	—
October	111.0-111.5	—1.30	111.3-111.0
Dec	116.8-116.5	—2.00	117.0-116.0
Feb	121.5-122.5	—1.25	—
Apr	122.5-123.5	—1.50	—
June	122.5-125.0	—1.50	—
August	124.5-126.0	—1.50	—

Sales: 115 (170) lots of 20 tonnes.

RUBBER

The London physical market opened *unchanged, found little support* throughout the day and closed quiet and easier, reports Lewis and Peat. Closing prices (buyers): spot 63.00p (64.00p): Aug 59.50p (60.00p): Sept 59.25p (59.75p). The Kuala Lumpur fob price for RSS No 1 was 181.0 (191.5) cents a kg and for SMR 20 *was 182.0 (same).*

OIL

Several cargoes of North Sea and North African crude for early August loading were sold midweek, including Brent at $27.10, Forties at $27.05 and Libyan better quality at $26.90. The crude market was thin but firm with many traders holding back pending the outcome of the Opec meeting. Nymex WTI opened 7c down for September but traded 29c up at 1.30 pm EST. In the petroleum products market gas oil prices fell early on as the barge market was less active and softer. However talk rose with the Nymex in the afternoon to close near Tuesday's levels. Heavy fuel was unchanged with few sellers of good quality material and relaxed end-user demand. Naphtha fell sharply due to over supply of prompt material —Petroleum Argus, London.

SPOT PRICES

	Latest	Ch'ng + or —
CRUDE OIL—FOB ($ per barrel)— Aug.		
Arab Light	27.00-27.10	—
Arab Heavy	24.90-25.00	—
Dubai	25.55-25.65	—
Brent Blend	26.80-26.90	+0.15
W.T.I. (1pm est)	27.90-28.00	+0.15
Forcados (Nigeria)	26.60-26.75	—
Urals. (cif NWE)	25.80-25.95*	—
PRODUCTS—North West Europe Prompt delivery cif ($ per tonne)		
Premium gasoline	285-287	—
Gas Oil	223.5-224.5	—
Heavy fuel oil	130-132	—
Naphtha	257-260	—4

*July/August

Petroleum Argus estimates

GAS OIL FUTURES

Month	Yest'day's Close $ U.S. per tonne	+ or —	Business Done
Aug	223.50	+1.75	223.50-20.75
Sep	220.50	+0.75	220.50-18.25
Oct	220.75	+1.00	220.75-18.50
Nov	222.50	+1.00	222.75-20.00
Dec	224.50	+1.75	224.50-22.25
Jan	223.50	+0.50	—

Turnover: 1,740 (1,577) lots of 100 *tonnes.*

POTATOES

All positions opened 70-80p lower and continued to come under selling pressure throughout the day, reports Coley and Harper.

Month	Yesterday's close £ per tonne	Previous close	Business Done
Nov	57.00	58.20	57.80-56.40
Feb	65.30	66.80	66.00
Apr	75.90	77.70	77.00-75.50
May	82.00	83.60	82.50-82.80

Sales: 442 (284) lots of 40 tonnes.

PIGMEAT

All months rallied on the back of fresh buying due to the continuing firmness in the spot August position, reports CCST Commodities.

Month	Yesterdays close p. per kilo (deadweight)	Previous close	Business done
Aug	107.40	107.20	107.50-106.10
Oct	108.00	107.10	108.40-107.50
Nov	108.40	106.00	108.10-107.90
Feb	100.10	99.30	100.00-99.50
April	100.10	99.50	—
June	100.00	98.70	100.00-99.00

Sales: 134 (8) lots of 50 carcases, 3,250 kg.

FREIGHT FUTURES

The market opened unchanged but selling pressure developed, notably in October, by the end of the morning. This weakness continued with new lows being recorded for July and October. Rumours of Gulf Continental business at $5.75 per tonne sparked much of the weakness, reports Clarkson Wolff. The Baltic Freight Index was 754.5, down 5 points.

	Close	High/Low	Prev.
July	752/755	758/753	758/759
Oct.	850/851.5	857/848	858/859
Jan.	887/891	895/885	898/899
April	941/942	943/940	946/948
July	880/895	—	880/900
Oct.	970/1000	—	975/1025
Jan.	970/1040	—	995/1025
April	1010/1060	—	1010/1060

Turnover: 232 (93).

PARIS

SUGAR—(FFr per tonne): Oct 1196/1200, Dec 1205/1220, Mar 1240/125C, May 1285/1285, Aug 1309/1325, Oct 1335/1360.

U.S. MARKETS

GOLD AND SILVER traded in a *tight* range, with scattered support emanating from renewed weakness to the dollar, reports Heinold Commodities. Copper was steady on reports of more interest in nearby supplies. Sugar came under pressure from long liquidation and hedge sales linked to the large EEC selling tender. Coffee was modestly higher on light buying based on an oversold condition. Cocoa encountered scattered producer selling. Cotton was firm on good buying in response to an oversold condition and lack of selling as values continue to trade below the loan rate. The energy complex was firm on the low level of stocks. The grain and soyabean complex was weak in reports of precipitation in key growing areas which had been suffering from a lack of moisture.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb

	Close	High	Low	Prev
July	44.20	—	—	44.50
August	44.40	—	—	44.70
Sept	44.65	44.80	44.60	44.95
Dec	45.60	45.75	45.60	45.95
Jan	45.90	—	—	46.30
March	46.55	46.70	46.60	46.95
May	47.25	—	—	47.65
July	47.95	—	—	48.35
Sept	48.65	—	—	49.05
Jan	50.05	—	—	50.45

COCOA 10 tonnes, $/tonnes

	Close	High	Low	Prev
Sept	2114	2125	2104	2115
Dec	2153	2159	2145	2155
March	2172	2177	2167	2175
May	2190	2199	2198	2190
July	2225	—	—	2203
Sept	2250	—	—	2214
Dec	2280	—	—	2224

COFFEE "C" 37,500 lb, cents/lb

	Close	High	Low	Prev
Sept	133.15	133.25	131.65	131.32
Dec	135.95	136.10	134.51	134.01
March	137.41	137.50	136.00	136.00
May	137.85	137.89	137.00	136.33
July	138.58	138.60	138.60	137.28
Sept	138.58	—	—	137.28
Dec	138.75	—	—	137.13

COPPER 25,000 lb, cents/lb

	Close	High	Low	Prev
July	62.00	62.30	62.00	62.00
August	62.05	—	—	62.05
Sept	62.50	62.95	62.25	62.50
Dec	63.65	64.10	63.40	63.65
Jan	63.90	—	—	63.95
March	64.45	64.70	64.25	64.55
May	64.85	64.50	64.50	64.95
July	65.25	65.75	65.20	65.35
Sept	65.65	65.50	65.25	65.75
Dec	66.25	66.65	66.15	66.35

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
Oct	60.55	60.80	59.85	59.75
Dec	60.44	60.70	59.65	59.50
March	61.10	61.25	60.40	60.15
May	60.80	61.05	60.15	60.05
July	60.00	60.30	59.54	59.50
Oct	54.68	54.90	54.80	54.30
Dec	53.90	54.10	53.65	53.56

CRUDE OIL (LIGHT) 42,000 U.S. gallons, $/barrels

	Latest	High	Low	Prev
Sept	27.33	27.45	27.08	27.16
Oct	26.65	26.75	26.42	26.47
Nov	26.21	26.27	25.93	25.96
Dec	25.86	25.86	25.52	25.58
Jan	25.53	25.62	25.25	25.24
Feb	25.20	25.25	25.00	24.96
March	24.95	25.00	24.70	24.65
April	24.65	24.70	24.44	24.38
May	24.40	—	—	24.12
June	24.15	—	—	23.92

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
July	318.9	—	—	317.8
August	319.3	319.4	317.5	318.3
Sept	32.11	—	—	32.01
Oct	322.9	323.2	321.3	322.0
Dec	326.9	327.2	325.0	326.0
Feb	331.2	331.6	330.0	330.3
April	335.5	335.0	334.0	394.6
June	40.2	339.4	338.7	339.3
August	345.1	344.8	344.4	344.2
Oct	350.2	—	—	349.3
Dec	355.5	—	—	354.6
Feb	361.0	360.5	360.5	360.1
April	366.5	—	—	365.6

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Latest	High	Low	Prev
August	69.40	69.40	68.45	68.57
Sept	70.15	70.40	69.40	69.52
Oct	71.15	71.25	70.30	70.39
Nov	72.00	72.10	71.05	71.12
Dec	72.80	72.95	71.90	71.95
Jan	73.25	73.25	72.50	72.25
Feb	72.40	72.50	72.50	71.78
March	70.00	70.00	70.00	69.45

ORANGE JUICE 15,000 lb, cents/lb

	Close	High	Low	Prev
Sept	135.30	136.20	135.00	136.35
Nov	132.30	132.95	132.40	133.45
Jan	129.55	130.50	129.55	130.65
March	129.35	130.00	129.50	130.45
May	129.10	—	—	130.25
July	129.10	—	—	130.25

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
July	272.9	272.5	272.5	271.9
Oct	273.4	274.9	271.5	272.4
Jan	277.7	279.5	276.0	276.7
April	282.6	284.2	281.5	281.6
July	287.9	288.0	288.0	286.9

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
July	607.2	609.0	606.0	609.3
August	608.3	—	—	610.8
Sept	612.5	615.0	609.0	615.0
Dec	624.9	627.0	622.0	627.4
Jan	629.5	—	—	632.0
March	638.2	640.5	635.0	640.8
May	647.3	—	—	649.6
July	656.9	658.5	658.0	659.2
Sept	667.0	667.0	667.0	669.3
Dec	682.5	680.0	680.0	684.8

SUGAR WORLD "11" 112,000 lb, cents/lb

	Close	High	Low	Prev
Sept	3.56	3.64	3.47	3.68
Oct	3.68	3.73	3.57	3.79
Jan	3.90	4.00	3.88	4.08
March	4.19	4.33	4.12	4.31
May	4.32	4.48	4.30	4.48
July	4.55	4.70	4.52	4.70
Sept	4.58	—	—	4.74
Oct	4.75	4.92	4.73	4.85

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb

	Close	High	Low	Prev
August	52.55	53.35	52.25	53.55
Oct	55.77	56.50	55.02	56.40
Dec	57.80	58.00	57.52	58.02
Feb	58.85	60.10	58.60	60.07
April	60.62	61.25	60.50	61.50
June	61.30	62.27	61.20	62.27

LIVE HOGS 30,000 lb, cents/lb

	Close	High	Low	Prev
August	45.05	45.45	44.55	44.95
Oct	40.57	41.02	40.07	40.47
Dec	42.17	42.57	41.75	42.30
Feb	43.62	44.15	43.12	43.92
April	41.70	42.00	41.10	41.90
June	43.85	43.97	43.25	44.20
July	44.47	44.72	44.00	44.90
August	43.96	43.95	43.95	44.40

MAIZE 5,000 bu min, cents/56-lb bushel

	Close	High	Low	Prev
Sept	241.0	243.6	240.6	243.2
Dec	232.2	235.2	232.2	234.2
March	239.6	242.3	239.4	242.0
May	244.2	247.2	244.0	247.2
July	245.0	248.0	245.0	248.2
Sept	231.0	233.4	231.0	233.6
Dec	220.2	222.2	220.2	221.4

PORK BELLIES 38,000 lb, cents/lb

	Close	High	Low	Prev
July	52.10	52.25	50.65	51.32
August	52.00	52.40	50.30	50.97
Feb	61.20	62.45	60.35	62.07
March	60.85	62.00	60.20	61.55
May	61.85	62.55	60.50	62.30
July	62.00	62.75	62.00	63.00
August	60.85	60.85	60.85	61.61

SOYABEANS 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
August	539.4	545.0	538.0	541.0
Sept	532.4	539.6	532.0	536.6
Nov	537.4	543.4	536.4	541.0
Jan	546.0	553.4	545.0	551.2
March	556.4	564.0	556.0	561.6
May	564.4	572.0	564.4	570.2
July	567.4	573.4	567.4	571.0
August	564.0	566.4	564.0	566.6

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
August	123.4	125.4	123.3	124.7
Sept	125.7	128.0	125.5	127.6
Oct	127.9	129.7	127.6	129.7
Dec	132.9	134.5	132.5	134.5
Jan	136.2	136.7	134.5	137.0
March	138.1	140.5	138.1	140.5
May	141.5	143.0	141.5	142.5
July	145.8	147.5	145.5	147.8

SOYABEAN OIL 60,000 lb, cents/lb

	Close	High	Low	Prev
August	26.11	26.49	26.03	26.08
Sept	25.42	25.72	25.35	25.44
Oct	24.81	25.10	24.77	24.95
Dec	24.36	24.60	24.30	24.47
Jan	24.05	24.35	24.05	24.21
March	24.00	24.25	24.00	24.15
May	23.97	24.10	23.90	24.08
July	23.85	24.05	23.85	23.97
August	23.80	24.00	23.80	23.90
Sept	23.60	24.05	23.60	23.86

WHEAT 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
Sept	293.0	301.0	292.4	301.9
Dec	301.8	308.4	301.4	308.9
March	301.4	308.2	301.6	308.4
May	291.2	298.4	291.2	298.4
July	273.0	279.0	273.0	279.4
Sept	276.0	282.4	276.0	283.0

SPOT PRICES—Chicago loose lard 16.50 (16.00) cents per pound. New York tin 588.0-589.0 (589.0-591.0) cents per pound. Handy and Harman silver bullion 605.5 (613.0) cents per troy ounce.

OTHER MARKETS

ROTTERDAM

WHEAT—(U.S. $ per tonne) U.S. No. 1 Soft Red Winter: Aug 132, Sept 135.50, Oct 138, Nov 141. U.S. No. 2 Northern Spring, 14 per cent protein: Aug 152.75, Sept 149, Oct 153, Nov 157. U.S. Northern Spring, 15 per cent protein: Aug 153.75, Sept 160, Oct 163, Nov 167. U.S. No. 3 Hard Amber Durum: July 168, Aug 167, Sept 157, Oct 161, Nov 164. Canadian No. 1 Western Red Spring, 13.5 per cent: Aug 165, Sept 164, Oct 166. Canadian No. 1 Western Amber Durum: Aug 173, Sept 71, Oct 174.50, Nov 15/Dec 15 179.

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). July 534.0, 610.0, nil: Oct 608.0, 613.0, 10.0: Dec 621.0, 625.0, 621.0: March 28.0, 628.0, nil; May 630.0, 643.0, nil; July 618.0, 638.0, nil: Oct 624.0, 643.0, nil: Dec 629.0, u58.0, nil. Sales: 4.

HIDES

HIDES—Leeds (Birmingham). Second clears. Ox: 31-35.5 kg, 88.2p a kg withdrawn (92.2p): 26-30.5 kg, 100.0p withdrawn (103.0p withdrawn): 22-25.5 kg, 108.0p withdrawn (110.0p withdrawn). Cows: under 25.5 kg, 101.0p withdrawn (106.3p withdrawn).

MEAT

SMITHFIELD—Pence per pound. Beef—Scotch killed sides 76.0-81.0; English forequarters 52.0-56.0; Ulster hindquarters 88.0-92.0. Veal—Dutch hinds and ends 141.0-146.0. Lamb—English small 66.0-74.0, medium 64.0-70.0, heavy 64.0-66.0; Scotch heavy 63.6-65.0; Imported: New Zealand PL 64.5-65.5, PX 64.0-66.0. Pork—English under 100lb 45.0-57.0, 100-120lb 49.5-54.5, 120-160lb 42.0-48.0.

MEAT COMMISSION—Average fatstock prices at representative markets. GB—Cattle 96.03p per kg lw (+0.09). GB—Sheep 155.58p per kg est dcw (+4.49). GB—Pigs 76.94p per kg lw (+2.32).

Barbados sugar harvest ahead

THIS YEAR'S sugar harvest in Barbados yielded 100,400 tonnes, 100 tonnes less than last year.

It is the second consecutive year that the industry has produced over 100,000 tonnes.

The Central Bank of Barbados, in its economic review, said the area reaped in this years harvest was 13,739 hectares

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar closes at peak

The dollar closed at the highest levels of the day in London, but then quickly lost 1 pfennig in New York on profit-taking, and sterling moved back above $1.40. A trading range of between DM 2.80-2.90 seems to have been established recently, and at present the U.S. currency is locked between technical support points at DM 2.8350 and DM 2.8850. Dealers suggested this is a period of consolidation for the dollar, amid growing doubt about how soon and how far the currency will drop. The latest economic figures—although there were none yesterday—have indicated a possible pick up in the U.S. economy, after a disappointing first half. This has led to speculation that the Federal Reserve may now shelve any plans to cut the discount rate. At the same time there is little indication of sentiment turning in favour of the dollar again, and the market still anticipates a further weakening of the currency.

The dollar rose to DM 2.8875 from DM 2.8505; FFr 8.77 from FFr 8.66; SwFr 2.3670 from SwFr 2.34; and Y239.75 from Y237.90. On Bank of England figures the dollar's index improved to 138.7 from 137.4.

STERLING — Trading range against the dollar in 1985 is 1.4125 to 1.0525. June average 1.2813. Exchange rate index fell 0.1 to 84.1. After opening at 84.0 the index was steady at 84.1 or 84.2 throughout.

Sterling weakened in late London trading, in line with other major currencies, losing ground to the dollar. Lack of news from the Opec meeting in Geneva kept the pound on the sidelines, but it remained supported by high UK interest rates. *Sterling lost 1.40 cents to* $1.3965-1.3975, while improving to DM 4.0350 from DM 4.03; FFr 12.23 from FFr 12.21; and SwFr 3.3075 from SwFr 3.3025; but falling to Y335 from Y336.

D-MARK — Trading range against the dollar in 1985 is 3.4510 to 2.8375. June average 3.0639. Exchange rate index 124.3 against 120.5 six months ago.

The D-mark declined against the dollar in subdued foreign exchange trading yesterday. Earlier in the day the Bundesbank did not intervene when the dollar was fixed at DM 2.8734 against DM 2.8500 previously. Recent economic data, including Tuesday's durable goods figures, helped support the dollar, while the continued easing of German interest rates had very little impact on the market, despite expectations of a general firming in U.S. rates. The lira, which was devalued over the weekend, rose at the fixing to DM 1.4965 per 1,000 lira from DM 1.4940. The Belgian franc was the weakest member of the EMS, below its central Ecu rate by 50 per cent of its maximum permitted divergence. But edged up to DM 4.970 per 100 francs at the fixing from DM 4.9690, despite uncertainty ahead of the Belgian general election to be held in the autumn.

STERLING INDEX

	July 24	Previous
8.30 am	84.0	84.2
9.00 am	84.1	84.1
10.00 am	84.1	84.2
11.00 am	84.1	84.3
Noon	84.2	84.3
1.00 pm	84.1	84.4
2.00 pm	84.2	84.2
3.00 pm	84.2	84.4
4.00 pm	84.1	84.2

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu central rates	Currency amounts against Ecu July 24	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	44.8320	45.1864	+0.78	+0.78	NA
Danish Krone	8.12857	8.06788	−0.75	−0.75	NA
German D-mark	2.23840	2.24634	+0.35	+0.35	NA
French Franc	6.86402	6.82564	−0.56	−0.56	NA
Dutch Guilder	2.52208	2.52707	+0.20	+0.20	NA
Irish Punt	0.724578	0.715907	−1.21	−1.21	NA
Italian Lira	1520.60	1501.00	−1.31	−1.31	NA

Changes are for Ecu, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

£ IN NEW YORK

	July 24	Prev. close
£ Spot	$1.4000-1.4010	$1.4005-1.4015
1 month	0.54-0.50 pm	0.52-0.51 pm
3 months	1.27-1.23pm	1.27-1.24 pm
12 months	3.15-3.05pm	3.30-3.20 pm

Forward premiums and discounts apply to the U.S. dollar

POUND SPOT—FORWARD AGAINST POUND

July 24	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.3960-1.4100	1.3965-1.3975	0.54-0.51c pm	4.51	1.33-1.28pm	3.74
Canada	1.8894-1.9013	1.8884-1.8894	0.60-0.50pm	3.49	1.39-1.24pm	2.78
Nethlnd.	4.53¾-4.54¾	4.53¼-4.54¼	2½-2¼c pm	6.12	6½-6¼pm	5.68
Belgium	80.00-81.25	81.00-81.10	28-22c pm	3.70	64-56pm	2.94
Denmark	14.46-14.51	14.46-14.47	3⅞-2⅞ore pm	2.70	8¾-7¾pm	2.23
Ireland	1.2837-1.2887	1.2862-1.2872	0.23-0.13c pm	1.68	0.68-0.50pm	1.83
W. Ger.	4.02½-4.04½	4.03-4.04	2⅛-2⅛pf pm	7.43	7-6⅞pm	6.75
Portugal	232.60-237.16	232.60-236.43	120-480c dis	−15.38	480-1815dis	−17.91
Spain	233.79-234.90	233.79-234.40	51-30c pm	2.08	275-425dis	−5.98
Italy	2,692-2,702½	2,693½-2,694½	6-1 lire pm	1.56	par-8dis	−0.01
Norway	11.66-11.74¾	11.68-11.69	¼ pm-¾ore dis	0.32	1½-2½ dis	−0.56
France	12.22½-12.28½	12.22½-12.23½	2⅞-1⅞c pm	2.28	5⅛-4⅞pm	1.59
Sweden	11.74½-11.82¾	11.76½-11.77½	2½-3½ore dis	−2.93	8½-9½dis	−3.14
Japan	334½-336½	334½-335½	1⅞-1⅝y pm	0.06	4½-4½pm	0.06
Austria	28.33-28.40	28.33-28.39	16½-14½gro pm	6.56	42-37½pm	5.61
Switz.	3.30¾-3.31¾	3.30¼-3.31¼	2⅛-1⅞c pm	7.26	5⅞-5⅝pm	6.66

Belgian rate is for convertible francs. Financial franc 81.79-81.93. Six-month forward dollar 2.23-2.18c pm, 12-month 3.36-3.20c pm.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

July 24	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.3960-1.4100	1.3965-1.3975	0.54-0.51c pm	4.51	1.33-1.28pm	3.74
Ireland†	1.0860-1.0940	1.0867-1.0875	0.28-0.23c pm	2.80	0.58-0.48pm	1.94
Canada	1.3504-1.3532	1.3513-1.3523	0.10-0.13c dis	−1.02	0.30-0.35dis	−0.96
Nethlnd.	3.2210-3.2465	3.2455-3.2465	0.47-0.45c pm	1.71	1.00-0.96pm	1.21
Belgium	57.55-58.15	58.05-58.15	2¼-3¼c dis	−0.57	7-10dis	−0.59
Denmark	10.28½-10.36½	10.36¾-10.37¼	¼-1¼ore dis	−1.16	2½-3dis	−1.07
W. Ger.	2.8620-2.8880	2.8870-2.8880	0.77-0.72pf pm	3.11	2.30-2.25pm	3.17
Portugal	157-169	167¼-168¼	100-400c dis	−17.88	500-1300dis	−21.46
Spain	166.25-167.55	166.80-167.00	100-150c dis	−8.99	325-425dis	−8.99
Italy	1,914-1,925	1,922½-1,923½	6-8 lire dis	−9.12	20-24dis	−9.56
Norway	8.33¾-8.37	8.38-8.38½	2½-3ore dis	−3.95	8½-8½dis	−4.07
France	8.70-8.77½	8.76¾-8.77½	1.55-1.70c dis	−2.23	4.40-4.70dis	−2.08
Sweden	8.37¼-8.41¾	8.41-8.41½	4¾-5¼ore dis	−7.14	14-14½dis	−6.78
Japan	238.35-239.90	239.70-239.80	0.36-0.32y pm	1.71	1.13-1.08pm	1.85
Austria	20.12½-20.30	20.15-20.18	3½-3gro pm	2.01	11-8½pm	1.93
Switz.	2.3480-2.3675	2.3665-2.3675	0.59-0.53c pm	2.85	1.83-1.77pm	3.05

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 58.55-58.65.

OTHER CURRENCIES

July 24	£	$		£ Note Rates
Argentina Austl.	1.1224-1.1247	0.8000-0.8010	Austria	28.20-28.50
Australia Dollar	1.9765-1.9805	1.4104-1.4124	Belgium	81.35-82.15
Brazil Cruzeiro	8,866-8,902	6,320-6,340	Denmark	14.41-14.55
Finland Markka	8.4290-8.4491	6.0125-6.0145	France	12.19-12.31
Greek Drachma	182.83-186.79	129.98-132.73	Germany	4.01-4.05
HongKong Dollar	10.8700-10.8800	7.7560-7.7590	Italy	2670-2710
Iran Rial	126.50*	89.50	Japan	335-338
KuwaitDinar(KD)	0.4280-0.4286	0.30085-0.30100	Netherlands	4.51½-4.56½
Luxembourg Fr.	81.79-81.93	58.55-58.65	Norway	11.64-11.75
Malaysia Dollar	3.4550-3.4650	2.4650-2.4670	Portugal	226-240
New Zealand Dlr.	2.6630-2.6705	1.8975-1.9011	Spain	225½-235½
Saudi Arab Riyal	5.1226-5.1269	3.6512-3.6517	Sweden	11.74-11.86
Singapore Dollar	3.0900-3.1000	2.2055-2.2075	Switzerland	3.29½-3.32½
Sth African Rand	2.6566-2.6686	1.8957-1.8993	United States	1.39½-1.41½
U.A.E. Dirham	5.1518-5.1568	3.6720-3.6730	Yugoslavia	395-422

* Selling rate.

CURRENCY MOVEMENTS

July 24	Bank of England Index	Morgan Guaranty Change %
Sterling	84.1	−5.7
U.S. dollar	138.7	+25.3
Canadian dollar	87.1	−5.7
Austrian schilling	115.1	+4.1
Belgian franc	90.7	−10.6
Danish Kroner	79.2	−5.2
Deutsche mark	124.3	+7.4
Swiss franc	146.7	+11.3
Guilder	114.8	+3.7
French franc	66.8	−14.1
Lire	44.0	−20.6
Yen	157.5	+13.4

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (base average 1975=100).

CURRENCY RATES

July 24	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.730601	0.566619
U.S. $	7½	1.02686	0.781771
Canadian $	9.45	•	1.05672
Austria Sch.	4½	20.7292	15.7840
Belgian Fr	9½	59.3525	45.1864
Danish Kr	7	10.5554	8.06788
Dmark	4½	2.95058	2.24634
Guilder	5½	3.31676	2.52707
French Fr	9½	8.95730	6.82564
Lira	15½	1970.67	1501.00
Yen	5	245.111	187.039
Norway Kr	8	8.56607	6.52310
Span'h Pta.	—	171.280	130.947
Swedish Kr	10½	N/A	6.56961
Swiss Fr	4	2.42257	1.84592
Greek Dr'ch	20½	135.073	102.912
Irish Punt	13¾	N/A	0.715907

• C$/SDR rate for July 23 1.38850.

EXCHANGE CROSS RATES

July 24	Pound St'rling	U.S. Dollar	Deutschem'k	J'panese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.397	4.035	335.0	12.23	3.308	4.538	2694.	1.889	81.05
U.S. Dollar	0.716	1.	2.887	239.7	8.770	2.367	3.246	1923.	1.352	58.10
Deutschemark	0.248	0.346	1.	83.02	3.031	0.820	1.125	667.7	0.468	20.09
Japanese Yen 1,000	2.985	4.170	12.04	1000.	36.51	9.873	13.54	8042.	5.639	241.9
French Franc 10	0.818	1.142	3.299	273.9	10.	2.704	3.710	2203.	1.544	66.27
Swiss Franc	0.302	0.422	1.220	101.3	3.698	1.	1.372	814.5	0.571	24.50
Dutch Guilder	0.220	0.308	0.889	73.83	2.695	0.729	1.	593.7	0.416	17.86
Italian Lira 1000	0.371	0.519	1.498	124.4	4.540	1.228	1.684	1000.	0.701	30.09
Canadian Dollar	0.529	0.740	2.136	177.4	6.475	1.751	2.402	1426.	1.	42.91
Belgian Franc 100	1.234	1.724	4.978	413.3	15.09	4.081	5.598	3324.	2.331	100.

EURO-CURRENCY INTEREST RATES (Market closing rates)

July 24	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Krone
Short-term	12⅝-12¾	7 7/16-7 9/16	7⅞-8⅛	6⅜-6⅛	¾-1	4 15/16-5 1/16	9¾-9⅞	11-14	8-8¼	8-8¼	6 1/16-6 3/16	9¼-9⅜
7 days' notice	12⅝-12¾	7¾-7⅞	8⅜-8⅝	6⅜-6⅛	¾-1	4 15/16-5 1/16	9¾-9⅞	11½-13½	8⅛-8⅝	8⅜-8⅝	6 1/16-6 3/16	9¾-9⅝
Month	12¼-12⅜	7 15/16-8 1/16	8⅝-8⅞	6 1/16-6 3/16	5⅛-5¼	4 15/16-5 1/16	10-10⅛	12-13½	8⅝-8⅞	8⅝-8⅞	6 3/16-6⅜	9⅛-9⅝
Three months	11⅞-12	8 1/16-8 3/16	8⅞-9⅛	6¼-6⅜	5⅛-5¼	5-5⅛	10⅛-10¼	12¾-13¾	8¾-9⅛	8¾-9⅛	6 3/16-6⅜	9⅛-9⅝
Six months	11 9/16-11 11/16	8¼-8⅜	9⅛-9⅜	6¼-6⅜	5⅛-5¼	5 1/16-5 3/16	10¼-10⅜	13¼-14	8⅞-9⅛	8⅞-9⅛	6 3/16-6⅜	9⅜-9⅞
One year	11 7/16-11 9/16	8 9/16-8 11/16	9⅜-9⅝	6¼-6⅜	5⅛-5¼	5 3/16-5 5/16	10¾-10⅞	13¼-14	9¼-9½	9⅛-9⅜	6 5/16-6⅜	9½-10

Asian $ (closing rates in Singapore): Short-term 7 13/16-8 1/16 per cent; seven days 8-8⅛ per cent; one month 8-8⅛ per cent; three months 8⅛-8¼ per cent; six months 8¼-8⅜ per cent; one year 8½-8¾ per cent. Long-term Eurodollars: two years 9⅜-9⅝ per cent; three years 10-10¼ per cent; four years 10¼-10½ per cent; five years 10½-10⅝ per cent nominal. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

MONEY MARKETS

Rates steady, but cuts expected

There was little change in the level of interest rates on the London money market yesterday. The important three month interbank rate traded steadily at 11 13/16-11 11/16 per cent all day, unchanged from Tuesday's close. Discount houses buying rates for three-month bank bills eased to 11 7/16 per cent from 11½ per cent as hopes continued that the strength of sterling, coupled with better money supply figures, may produce a cut in bank base rates next month.

The Bank of England forecast a market shortage of £950m in the morning, but changed this to £1,000m in the afternoon, and then to £1,050m. Total help provided was £1,055m.

UK clearing banks base-lending rate 12 per cent since July 11-16.

In the morning the authorities bought £20m bills outright, by way of £7m bank bills in band 1 (up to 14 days maturity) at 11⅞ per cent; and £13m bank bills in band 2 (15-33 days) at 11 13/16 per cent.

After lunch the Bank of England bought another £473m bills outright, through £26m bank bills in band 1 at 11⅞ per cent; £7m Treasury bills in band 2 at 11 11/16 per cent; £2m local authority bills in band 2 at 11 13/16 per cent; and £357m bank bills in band 2 at 11 13/16 per cent. A further £81m bank bills were purchased in band 3 (34-63 days) at 11¾ per cent.

Another £562m bills were bought for resale to the market in equal amounts on August 6 and 7 at 11 15/16-12 1/16 per cent.

Bills maturing in official hands, repayment of late assistance and a take-up of Treasury bills drained £683m, with Exchequer transactions absorbing £95m, a rise in the note circulation £105m, and bank balances below target £90m.

In Frankfurt call money stradled 5 per cent, compared with 5.05 per cent on Tuesday. Money was bid at 4.95 per cent, the lowest level since April 1983. The average for that month was 4.93 per cent, and the highest average since that time was 5.85 per cent in March this year. The easing of rates has been expected now that the bulk of tax payments made by banks for customers has passed. This has left the money market particularly liquid after the injection of DM 12bn of liquidity on Monday through securities repurchase agreements, replacing expiring agreements of DM 8.2bn. The Bundesbank has encouraged a lowering of domestic interest rates recently, but has so far declined to cut its discount or Lombard rates.

MONEY RATES

July 24	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	4.95-5.05	9⅞	1⅜-1⅝	6¼-6⅝	6.28125	14½-14⅞	5.15	11¼-11½
One month	5.05-5.20	9⅝-9¾	5 3/16-5 5/16	6 3/16-6 5/16	6.28125	14⅛-14½	8 11/16-8 13/16	11¼-11½
Two months	5.05-5.20	9 11/16-9 13/16	—	—	—	—	—	11¼-11½
Three months	5.05-5.20	9¾-9⅞	5⅛-5¼	6 1/16-6 3/16	6.28125	14¾-14¾	8⅞-9	10⅞-11⅛
Six months	5.10-5.30	9⅞-10	—	6 3/16-6¼	—	—	—	10¾-11
Lombard	6.0	—	—	—	—	—	—	—
Intervention	—	9⅝	—	6⅝	—	—	—	—

LONDON MONEY RATES — Discount Houses Deposit and Bill Rates

July 24 1985	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	11-13	12⅝	11½-12¾	10-12¾	—	—	—	—	—
2 days notice	—	—	12½-12⅝	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	12⅝-12 11/16	12½-12⅝	12¾	12⅜-12½	—	—	—	—	—
One month	12 3/16-12 1/16	12¼-12⅜	12 1/16	12½	12	11 13/16	11¾	11 13/16	11¾	12 1/16
Two months	11 15/16-11 13/16	11 15/16-12 1/16	12	12¼	11½	11 9/16	11 7/16	11 11/16	11½	12 1/16
Three months	11¾-11⅝	11 13/16-11 11/16	11⅞	12⅛	11¼	11 7/16	11¼	11 7/16	11⅜	11 11/16
Six months	11 9/16-11 7/16	11 9/16-11 7/16	11⅝	—	—	—	—	10¾	10⅝	11⅝
Nine months	11 9/16-11 7/16	11 9/16-11 7/16	—	—	—	—	—	—	—	—
One year	11 7/16-10 15/16	11 9/16-11 7/16	11¼	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	12⅝-12⅜	—	12¼	7.8-7.9	7 11/16-8 1/16	8 11/16-8 13/16
Two months	12½-12¼	—	12	7.8-7.9	7 15/16-8 1/16	8 11/16-8 13/16
Three months	12⅜-12⅛	—	11 15/16	7.85-7.95	7 15/16-8 1/16	8 11/16-8 15/16
Six months	12⅛-11⅞	—	11 11/16	8.0-8.1	7 15/16-8¼	8⅞-9⅛
Nine months	11⅞-11⅝	—	11½	8.3-8.4	—	—
One year	11 11/16-11 7/16	—	11⅝	8.4-8.5	8 3/16-8 7/16	8⅞-9⅛
Two years	—	11 7/16	—	—	—	—
Three years	—	11⅛	—	—	—	—
Four years	—	11⅛	—	—	—	—
Five years	—	11	—	—	—	—

ECGD Fixed Finance IV: Average Rate of Interest period June 5 to July 2 (inclusive): 12.535 per cent. Local authority and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 13 per cent from July 1 1985. London and Scottish Clearing Bank Rate for lending 13 per cent. Bank Deposit Rates for sums at seven days' notice 6.25-6.625 per cent (net). Treasury Bills: Average tender rate of discount 11.1325 per cent. Certificates of Tax Deposits (Series 6): Deposits £100,000 and over held under one month 12 per cent; one-three months 11½ per cent; three-six months 11½ per cent; six-nine months 11¼ per cent; nine-12 months 11½ per cent. Under £100,000 10¾ per cent from July 18. Deposits held under Series 5 11½ per cent. The rate for all deposits withdrawn for cash 8 per cent.

FT LONDON INTERBANK FIXING

(11.00 a.m. July 24)

3 months U.S. dollars	
bid 8 1/16	offer 8 3/16

6 months U.S. dollars	
bid 8¼	offer 8⅜

The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK (Lunchtime)

Prime rate	9½
Broker loan rate	8¾
Fed funds	7 13/16
Fed funds at intervention	—

Treasury Bills

One month	6.90
Two month	7.00
Three month	7.24
Six month	7.33
One year	7.44

Treasury Bonds

Two year	99 7/32
Three year	101 23/32
Four year	99 27/32
Five year	99 27/32
Seven year	100⅜
10 year	104 27/32
30 year	106 5/32

FINANCIAL FUTURES

Gilts weaker

It was a quiet and uneventful day on the London International Financial Futures Exchange. Gilts for September delivery were very quiet until the last half hour of trading, but then weakened with the decline of the pound against the dollar. Dealers commented that the present level of the contract discount's a cut of ½ per cent in clearing bank base rates, and any fall in value of sterling sends a wave of nervousness through the market. September gilts opened at 112-23, and after touching a high of 112.26 closed just above the day's low at 112-15 compared with 112-25 previously. Three month sterling deposits were quiet throughout, closing earlier than the gilt contract and therefore not reflecting the late movement of the pound. Interest rates on the London money market were little changed and this tended to keep futures trading at a low level.

September Eurodollars opened higher, in line with earlier gains in Singapore. Chicago pushed the contract up to a high of 91.87, but it finished at the day's low of 91.77, against 91.70 on Tuesday. There was some nervousness ahead of last night's two-year note auction, although this was generally expected to be successful. Next week's announcement of the August refunding package by the U.S. Treasury is also overhanging both the Eurodollar and U.S. bond futures market.

LONDON

THREE-MONTH EURODOLLAR
$1m points of 100%

	Close	High	Low	Prev
Sept	91.77	91.87	91.77	91.70
Dec	91.34	91.43	91.35	91.28
March	90.91	91.00	90.92	90.86
June	90.58	90.61	90.59	90.50
Sept	90.21	—	—	90.15

Estimated volume 5,133 (7,119)
Previous day's open int 18,427 (—)

THREE-MONTH STERLING
£500,000 points of 100%

	Close	High	Low	Prev
Sept	88.69	88.73	88.66	88.72
Dec	89.38	89.42	89.37	89.39
March	89.55	89.58	89.51	89.58
June	89.59	89.62	89.55	89.60

Estimated volume 970 (1,889)
Previous day's open int 6,883 (—)

20-YEAR 12% NOTIONAL GILT
£50,000 32nds of 100%

	Close	High	Low	Prev
Sept	112-15	112-26	112-14	112-25
Dec	112-20	—	—	112-30
March	113-05	—	—	113-15

Estimated volume 1,474 (2,363)
Previous day's open int 4,225 (—)
Basis quote (clean cash price of 13¾% Treasury 2003 less equivalent price of near futures contract) −25 to −15 (32nds).

STERLING £25,000 $ per £

	Close	High	Low	Prev
Sept	1.3955	1.4005	1.3955	1.4080
Dec	1.3845	1.3865	1.3865	1.3970
March	1.3775	—	—	1.3900

Estimated volume 107 (229)
Previous day's open int 3,038 (—)

DEUTSCHE MARKS
DM 125,000 $ per DM

	Close	High	Low	Prev
Sept	0.3484	3.3503	0.3481	0.3542
Dec	0.3514	—	—	0.3572

Estimated volume 22 (40)
Previous day's open int 448 (—)

SWISS FRANCS
SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
Sept	0.4240	0.4280	0.4250	0.4305

Estimated volume 4 (9)
Previous day's open int. 180 (—)

FT-SE 100 INDEX
£25 per full index point

	Close	High	Low	Prev
Sept	123.80	124.20	123.40	123.70
Dec	124.60	—	—	124.50

Estimated volume 185 (347)
Previous day's open int 1,600 (—)

U.S. TREASURY BONDS
8% $100,000 32nds of 100%

	Close	High	Low	Prev
Sept	75-28	76-11	75-27	75-27
Dec	74-25	75-03	74-25	74-26
March	73-24	—	—	73-24

Estimated volume 2,278 (3,376)
Previous day's open int 3,011 (—)

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
Sept	0.4183	0.4196	0.4186	0.4220

Estimated volume 6 (26)
Previous day's open int 468 (—)

CHICAGO

U.S. TREASURY BONDS (CBT)
8% $100,000 32nds of 100%

	Latest	High	Low	Prev
Sept	76-04	76-11	76-02	75-30
Dec	75-02	75-08	75-00	74-28
March	74-03	74-09	74-02	73-30
June	73-07	73-14	73-07	73.03
Sept	72-15	72-21	72-15	72-11
Dec	71-26	71-30	71-26	71-21
March	71-06	71-09	71-06	71-01
June	70-20	70-24	70.20	70-15
Sept	—	—	—	—
Dec	—	—	—	69-16
March	—	—	—	69-02

U.S. TREASURY BILLS (IMM)
$1m points of 100%

	Latest	High	Low	Prev
Sept	92.77	92.82	92.76	92.74
Dec	92.47	92.52	92.46	92.43
March	92.09	92.16	92.09	92.07
June	91.75	91.80	91.75	91.72
Sept	91.44	91.47	91.44	91.41
Dec	91.16	91.18	91.15	91.13
March	90.92	90.92	—	90.88
June	90.69	90.69	—	90.67

CERT. DEPOSIT (IMM)
$1m points of 100%

	Latest	High	Low	Prev
Sept	—	92.16	92.10	92.08
Dec	91.70	91.75	91.70	91.65
March	91.26	91.30	91.26	91.21
June	90.86	90.89	90.86	90.81
Sept	—	—	—	—
Dec	—	—	—	—

THREE-MONTH EURODOLLAR (IMM)
$1m points of 100%

	Latest	High	Low	Prev
Sept	91.79	91.86	91.78	91.76
Dec	91.38	91.42	91.35	91.33
March	90.91	90.98	90.90	90.89
June	90.49	90.58	90.49	90.48
Sept	90.11	90.20	90.10	90.13
Dec	89.75	89.87	89.74	89.80
March	89.46	89.56	89.46	89.49
June	89.18	89.27	89.18	89.20

STERLING (IMM) $s per £

	Latest	High	Low	Prev
Sept	1.3950	1.3990	1.3940	1.3985
Dec	1.3860	1.3875	1.3830	1.3890
March	1.3760	1.3810	1.3750	1.3835
June	—	—	—	1.3765
Sept	—	—	—	1.3765
Dec	—	—	—	—

GNMA (CBT) 8% $100,000
32nds of 100%

	Latest	High	Low	Prev
Sept	—	75-26	75-20	75-19
Dec	—	74-31	74-27	74-24
March	—	—	—	—
June	—	—	—	73-19
Sept	—	—	—	73-00

Legal Notices

IN THE MATTER OF
DELL & DIAMOND LIMITED
AND IN THE MATTER OF
THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 11th day of October 1985 to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned SURJIT KUMAR SINGLA, F.C.A., of Singla & Co., Chartered Accountants, of New Broad Street House, 35 New Broad Street, London EC2M 1NH, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.
DATED this 12th day of July 1985.
S. K. SINGLA, F.C.A.
Liquidator

IN THE MATTER OF
SWEETBRAY LIMITED
AND IN THE MATTER OF
THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 11th day of October 1985 to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned SURJIT KUMAR SINGLA, F.C.A., of Singla & Co., Chartered Accountants, of New Broad Street House, 35 New Broad Street, London EC2M 1NH, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.
DATED this 12th day of July 1985.
S. K. SINGLA, F.C.A.
Liquidator

IMPORTANT NOTICE
TO ALL APPLICANTS FOR ORDINARY SHARES IN TIPHOOK plc

Tiphook plc

Although the Listing Particulars and the Prospectus advertised on 22nd July, 1985 correctly showed adjusted net tangible assets at 30th April, 1985 of £12.6 million, the document mistakenly attributed the whole of this figure to ordinary share capital. After the deduction of £3.5 million of preference share capital and the redemption premium payable thereon the adjusted net tangible assets attributable to Ordinary Shareholders at 30th April, 1985 amounted to £8.7 million. Accordingly the net tangible assets per Ordinary Share should have been shown on pages 3 and 16 as 62.5p and not 90.1p.

The Application List for the Offer for Sale which will open on 25th July, 1985 will now remain open until at least 10.00 a.m. on Tuesday, 30th July, 1985. Applicants who have submitted applications on or prior to 25th July, 1985 are being requested to and must, if they wish to receive an allotment, confirm their application by completing a form which is being posted to them today and returning it by not later than 10.00 a.m. on Tuesday, 30th July, 1985 to the Royal Bank of Scotland plc, New Issues Department, 24 Lombard Street, London EC3V 9BA.

It is expected that Letters of Acceptance will be posted on Friday, 2nd August, 1985 and that dealings will commence on Monday, 5th August, 1985.

A copy of this document, which constitutes a supplement to the Listing Particulars comprised in the above-mentioned Prospectus, has been delivered to the Registrar of Companies for registration.

Any enquiries with regard to the above arrangements should be addressed to the Royal Bank of Scotland plc, New Issues Department, 24 Lombard Street, London EC3V 9BA (Telephone 01-623 4356).

LONDON SHARE SERVICE

BRITISH FUNDS

1985 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99[illegible]	97[illegible]	Treas 8¾pcCnv '85	99[illegible]	....	8.79	12.43
101[illegible]	99[illegible]	Exch. 12¼pc 1985	100[illegible]	...	12.23	11.46
101[illegible]	99[illegible]	Exch. 11¼pc '86	100[illegible]xd	....	11.72	11.33
99½	97[illegible]	Treas. 10pcCnv 1986	99[illegible]	.....	10.08	11.11
95¼	92¼	Treas 3pc 1986	95¼	...	3.15	9.13
100	97½	Exch. 10½pc Cv '86	99[illegible]	...	10.55	10.98
101[illegible]	99¼	Treas 12pc 1986	100[illegible]	−[illegible]	11.89	10.79
98[illegible]	94[illegible]	Treas 8½pc 1984-86‡‡	98[illegible]	....	8.67	10.66
105[illegible]	102[illegible]	Exch. 14pc 1986	103[illegible]	−[illegible]	13.52	10.82
93[illegible]	87[illegible]	Exch. 2½pc 1986	93[illegible]	−[illegible]	2.68	7.99
104[illegible]	101[illegible]	Exch. 13¼pc 1987	103¼xd	....	12.83	10.80
99½	96[illegible]	Treas 10¼pcCv '87	99[illegible]xd	..	10.32	10.73
91[illegible]	85½	Exch 2½pc 1987	91[illegible]xd	−[illegible]	2.73	8.38
99[illegible]	96[illegible]	Exch. 10½pc 1987	99½	.....	10.55	10.79
93[illegible]	89	Funding 6½pc '85-87‡‡	93[illegible]	.....	6.93	10.43
98[illegible]	95½	Treas. 10pc 1987	98[illegible]	.....	10.13	10.72
90[illegible]	84[illegible]	Treas 3pc 1987	90[illegible]	...	3.33	8.55
102[illegible]	99[illegible]	Treas. 12pc 1987	102[illegible]	....	11.74	10.83
94[illegible]	90[illegible]	Treas 7¾pc 1985-88‡‡	94[illegible]xd	−[illegible]	8.23	10.46
99[illegible]	95[illegible]	Exch 10½pc '88	99[illegible]	.....	10.58	10.79
97[illegible]	93[illegible]	Treas 9¾pc Cv '88	97[illegible]	.. ..	10.03	10.89
86[illegible]	80	Transport 3pc '78-88	86[illegible]	.....	3.48	8.38
96[illegible]	91½	Treas. 9½pc '88	96	..	9.90	10.97
101[illegible]	97½	Treas 11½pc 1989	101[illegible]xd	.....	11.30	10.90
95[illegible]	90[illegible]	Treas 9½pc Cnv. '89	95[illegible]	+[illegible]	9.92	10.89
80[illegible]	79	Treas 3pc 1989	80[illegible]	+[illegible]	3.71	9.05
98[illegible]	94	Treas 10½pc 1989	98[illegible]	.....	10.63	10.89
97[illegible]	92	Exch 10pc 1989	97[illegible]xd	...	10.30	10.91
100[illegible]	95	Exch 11pc 1989	100[illegible]	...	10.97	10.89
85	79	Treas 5pc 1986-89	84[illegible]	−[illegible]	5.90	9.45
107[illegible]	103[illegible]	Treas 13pc 1990‡‡	107[illegible]	...	12.08	10.79
100[illegible]	96[illegible]	Exch 11pc 1990‡‡	100[illegible]xd	...	10.94	10.84
108[illegible]	100[illegible]	Exch. 12½pc 1990	105[illegible]	....	11.83	10.91
75[illegible]	75[illegible]	Treas. 3pc 1990	75[illegible]	.....	3.95	9.35
93	87[illegible]	Treas 8¼pc 1987-90‡‡	91[illegible]	+[illegible]	9.05	10.59
		Five to Fifteen Years				
98[illegible]	91[illegible]	Treas. 10pcCv 1990	98[illegible]	−[illegible]	10.40	10.97
105[illegible]	97[illegible]	Treas 11¾pc 1991	103½	−[illegible]	11.41	10.98
86[illegible]	80	Funding 5¾pc '87-91‡‡	86[illegible]	.....	6.78	9.24
102[illegible]	95	Exch. 11pc 1991	102[illegible]	−[illegible]	11.00	10.98
111[illegible]	101[illegible]	Treas 12¾pc 1992‡‡	108[illegible]	....	11.80	10.98
99½	88[illegible]	Treas 10pc 1992	95[illegible]xd	−[illegible]	11.42	10.87
101[illegible]	94[illegible]	Treas 10½pc Cv 1992‡‡	100[illegible]	−[illegible]	10.70	10.89
110[illegible]	98[illegible]	Exch. 12¼pc '92	104[illegible]xd	....	11.58	11.06
116	105	Exch 13½pc 1992	115[illegible]	...	12.13	11.15
111[illegible]	101[illegible]	Treas 12½pc 1993‡‡	108[illegible]	...	11.57	10.96
82[illegible]	74[illegible]	Funding 6pc 1993‡‡	82[illegible]	.....	7.48	9.54
118[illegible]	109[illegible]	Treas 13¾pc 1993‡‡	116[illegible]	...	12.01	11.02
125[illegible]	111[illegible]	Treas 14½pc 1994‡‡	125[illegible]	...	12.09	10.86
116[illegible]	108[illegible]	Exch 13½pc 1994	116½	−[illegible]	11.92	11.09
113[illegible]	100[illegible]	Exch. 12½pc 1994	107[illegible]xd	.....	11.51	10.99
92[illegible]	86[illegible]	Treas 9pc 1994‡‡	92½	....	9.91	10.56
108[illegible]	98[illegible]	Treas 12pc 1995	106[illegible]xd	−[illegible]	11.31	10.94
71[illegible]	62[illegible]	Gas 3pc '90-95	70[illegible]	...	4.28	7.35
98[illegible]	89[illegible]	Exch. 10¼pc 1995	96[illegible]	−[illegible]	10.61	10.81
114[illegible]	106[illegible]	Treas 12¾pc 1995‡‡	113[illegible]	−[illegible]	11.46	10.88
121[illegible]	110[illegible]	Treas. 14pc '96	118[illegible]xd	..	11.85	11.03
99[illegible]	84[illegible]	Treas 9pc 1992-96‡‡	99½	..	9.97	10.54
130[illegible]	121[illegible]	Treas 15¼pc 1996‡‡	130[illegible]	..	12.02	10.92
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked

[illegible]

INT. BANK AND O'SEAS GOVT STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS

Building Societies

[illegible]

Public Board and Ind.

[illegible]

Financial

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

AMERICANS—Cont.

[illegible]

CANADIANS

[illegible]

BANKS, HP & LEASING

[illegible]

Hire Purchase, Leasing, etc.

[illegible]

BEERS, WINES & SPIRITS

[illegible]

BUILDING, TIMBER, ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY & STORES—Cont.

[illegible]

ELECTRICALS

[illegible]

ENGINEERING

[illegible]

ENGINEERING—Continued

[illegible]

FOOD, GROCERIES, ETC

[illegible]

HOTELS AND CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

LEISURE—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

INSURANCES

LEISURE

PROPERTY—Continued

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

Finance, Land, etc

FINANCE, LAND—Cont.

OIL AND GAS

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

MINES—Continued

O.F.S.

Diamond and Platinum

Central African

Finance

Australians

Tins

Miscellaneous

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution, this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock".
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK listed; dealings permitted under Rule 535(4)(a).
- ♣ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Dealt in under Rule 535(3).
- ‖ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue. cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganization in progress.
- ♣ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- ♦ Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ‖ No par value

B.Fr. Belgian Francs. Fr. French Francs. ♦♦ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other offer estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend. cover relates to previous dividend. P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1984-85. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or official estimates for 1984. M Dividend and yield based on prospectus or other official estimates for 1985-86. N Dividend and yield based on prospectus or other official estimates for 1985. P Figures based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

Albany Inv 20p	95		Arnott	188	....
Craig & Rose £1	700	..	CPI Hldgs	56	....
Finlay Pkg. 5p	61	....	Carroll Inds.	139	+2
Higsons Brew	225	.	Dublin Gas	70	.....
Holt (Jos) 25p	720	−5	Hall (R. & H.)	56	.....
IoM Stm. £1	85	....	Heiton Hldgs.	20	+2
IRISH			Irish Ropes	48	....
Fund 11¼% 1988	£101¾	.....	Jacob (W & R.)	80	.....
Nat. 9¾% 84/89	£97¾xd	+⅛	Unidare	87	....
Fin. 13% 97/02	£109¾	..			

"Recent Issues" and "Rights" Page 34
(International Edition Page 26)

LONDON STOCK EXCHANGE

MARKET REPORT

Uninspiring session closes with equities steadier
Gilts consolidate recent gains

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
July 15	July 25	July 26	Aug 5
July 29	Aug 8	Aug 9	Aug 19
Aug 12	Aug 29	Aug 30	Sept 9

* "New-time" dealings may take place from 9.30 am two business days earlier.

Stock Exchange investors paid due regard to the lack of activity in other London financial markets yesterday and maintained a low profile throughout the trading session. Bereft of indicators on the current trend of corporate profits, equity traders were content to await the key statement from market leader ICI. The group is scheduled to announce today its half-yearly results, estimates of which have been downgraded recently owing to exchange rate fluctuations.

Few sectors presented major features but Bowater, the subject of sustained speculation recently that Hanson Trust was building up a share stake, responded strongly late to news confirming a holding of just over 7 per cent. Movements otherwise, and especially among constituents of the FT Ordinary share index, rarely exceeded a penny or two either way. The outcome was that the index made slow progress to close 4.9 higher at 926.0.

Government bonds meanwhile took stock of a less spectacular performance by sterling and prices often eased back from Tuesday's enhanced levels. The dollar recovered late on Tuesday after news of the latest durable goods orders which raised hopes that the U.S. economy would regain its upward momentum in the second-half of the year. A Middle East report that OPEC ministers had not yet reached agreement on oil price differentials had little impact on the pound.

A rather uninspiring Gilt-edged day was relieved, however, by unexpected activity in the index-linked sector. Following a sizeable overseas buying order, the authorities' supply of the taplet, Treasury 2½ per cent 2013, was exhausted at a price of 85¼. The development immediately encouraged domestic business and several index-linked issues closed with rises of ⅛.

News that a leading broking house was putting out a buy signal for shares offset disappointment with Wall Street's overnight trend—the Dow Jones index surrendered a gain of 10 points to end 6 points down. The slightly easier tone in sterling was also a stabilising influence but leading industrials were reluctant to move too far ahead.

Banks quiet

Slightly easier at the outset following comment on their overseas debts, the major clearing banks recovered to close harder for choice. Barclays, unsettled of late by the deteriorating situation in South Africa, closed a penny dearer at 378p, after 375p. Elsewhere, Henry Ansbacher softened 1½ to 55½p on news of the row surrounding the payment of a dividend last December; heavy losses have since been incurred by the company.

PWS International, recently depressed by the proposed redundancy programme, rallied 10 to 240p; it was announced yesterday that the chairman had increased his stake in the company to nearly 30 per cent.

Breweries displayed some interesting movements. Bass came under selling pressure following comment concerning the possible impact on profits of the Runcorn Brewery strike and reacted to 525p prior to closing a net 6 off at 534p. Whitbread attracted a reasonable two-way business and were finally 3 dearer at 224p, while Buckleys Brewery attracted speculative support on talk that Belhaven was seeking to increase its stake in the company and the close was 5 higher at the day's best of 83p. Marston Thompson moved up 7 to 81p in a restricted market. Elsewhere, Arthur Bell, 10 higher on Tuesday after news that the bid from Guinness was not to be referred to the Monopolies Commission, drifted back on light profit-taking to end 5 cheaper at 240p.

Leading Buildings began steadily but gradually drifted easier in the absence of buying interest. Blue Circle settled 3 cheaper at 532p, while RMC, after early progress to 384p, finished unchanged at 382p. Tarmac gave up 4 at 322p, but Redland gained that amount to 322p. Elsewhere, Manders continued to reflect recent acquisition news with a fresh improvement of 5 to 190p, while Brickhouse Dudley gained 4 to 64p following newsletter comment. By contrast, the statement from St Piran that it intends to retain its stake in Milbury for the time being failed to relieve the pressure on the latter which dipped to 32p before closing down 7 at 35p for a three-day decline of 39.

Awaiting today's second-quarter figures, ICI gave a steadier performance and closed 4 dearer at 690p. Among other Chemicals, revived demand left Allied Colloids 5 better at 135p.

Business in the Stores sector remained in very low key and the majority of leading issues barely stirred. Habitat Mothercare, however, attracted support in front of today's annual meeting and rose 8 to 398p, while Dixons improved 7 to 735p. Elsewhere, Ratners firmed 4 to 93p following reports of buoyant jewellery sales. Mail order group Freemans improved 4 to 256p.

Breville Europe were outstanding among secondary Electricals, jumping 9 to 26p on news of the agreed share exchange offer from Valor, 10 down at 169p. International Signal and Control put on 12 to 267p in response to the chairman's confident address at the annual meeting, while Security Centres encountered revived speculative support and spurted 17 to 102p. AB Electronic, still reflecting the profits forecast which accompanied details of the company's participation in Acorn Computer's refinancing package, improved 10 more to 280p. D.J. Security Alarms rose 4 to 52p awating today's interim results, while Penny and Giles, up 12 at 142p, continued to draw strength from the excellent results. CASE, however, fell 10 more for a two-day decline of 25 to 177p on a chart "sell" recommendation. Wayne Kerr came on offer and lost 15 to 90p, after 85p. Among the leaders, Racal reacted from an initial level of 138p to close a couple of pence cheaper at 132p after a downgraded profits forecast from stockbrokers Scott Goff.

Press speculation of an imminent 400p per share bid from Evered buoyed TI, which touched 330p before closing 6 better on balance at 325p; Evered, which recently acquired an 11.6 per cent stake in TI, rose 10 more to 252p.

Leading Foods moved narrowly. Unigate closed a shade cheaper at 174p following reports of a sizeable put-through, but Cadbury Schweppes rallied a penny to 146p on currency influences.

Bowater jump late

Bowater, one of the many companies recently rumoured to be on Hanson Trust's shopping list, advanced strongly after-hours to finish 37 higher at 313p, after 318p, on confirmation that Hanson had acquired a 7 per cent stake in the company; HT ended a penny dearer at 188p. Williams Holdings firmed 8 to 310p in response to Press comment and Thomas Jourdan moved up 8 to 122p in reply to bumper interim figures. Buying ahead of next Monday's preliminary results left F. H. Tomkins 7 to the good at 191p, while improvements of 9 and 10 respectively were seen in the recently-dull Cookson, at 277p, and Pentland, at 240p. Scrappy selling by shareholders now in receipt of their rights-issue allotment letters left Extel new nil-paid shares 17 down at 31p premium, after 30p premium; the old dropped 25 to 310p. Adverse comment clipped 15 from Applied Computer, at 100p, while William Baird slipped 15 to 350p. The miscellaneous industrial leaders edged forward awaiting today's trading statement from ICI. Beecham hardened 2 to 325p, after 330p, following the annual meeting and Metal Box rallied 5 to 433p awaiting today's meeting.

Among Motors, Jaguar continued to trade briskly and touched 256p prior to closing a couple of pence cheaper at 252p. Lucas attracted late support and settled 3 dearer at 291p.

The Property leaders made reasonable progress. Land Securities hardened a couple of pence to 273p, while Haslemere Estates rose 6 to 462p. Buyers also favoured Brixton Estate, 3 dearer at 130p.

A report that the French Government had forbidden any new investment in South Africa caused a further deepening in the gloom surrounding South African industrials. The sector encountered persistent selling from most international centres and closed at or around the day's lowest levels. OK Bazaars retreated 25 to 525p, Tongaat Hewlett 20 to 240p and Barlow Rand 10 to 440p. South African Breweries gave up 8 at 312p.

Recently overlooked money brokers revived. Mercantile House rose 10 to 243p and Exco gained 13 to 183p.

Britoil edge higher

Trade in the oil sector remained moderate as the Opec ministerial meeting dragged on for the third day. The leaders were nudged higher at the ouset in the hope that oil ministers would reach an accord on the subject of price differentials but subsequently drifted back when it became likely that the Geneva meeting would move into a fourth session. Widespread television and Press publicity given to Britoil in the run up to the sale of the Government's remaining 49 per cent holding prompted modest support for the company's shares which edged up to 205p for a net gain of 4, while Ultramar, a firm market in the past couple of days amid vague bid rumours, rose 7 more to 210p. BP settled a couple of pence harder at 510p, after 513p, while Shell were finally unchanged on balance at 668p; the latter's interim results are scheduled for August 8. Secondary oils were similarly subdued with one or two exceptions. Petranol reflected takeover speculation and put on 10 to 135p, while Highland Participants revived with a similar gain at 205p. Energy Capital were an erratic market and ran back to 54p before surging ahead late to close 8 better on balance at 66p.

Polly Peck performed impressively in Overseas Traders, adding 10 at 225p ahead of tomorrow's annual meeting.

Golds under pressure

South African sectors of mining markets were in full retreat owing to the report that the French Government was to free new investment in South Africa and recall its Ambassador in protest over South Africa's declaration of a State of Emergency in numerous areas of the country. South African Golds were already under severe selling pressure in the morning as heavy selling from the Continent, in particular Paris, preceded the announcement. Substantial selling was also reported from numerous London dealers. Following the news the gold sharemarket weakened afresh owing to persistent U.S. offerings, and renewed pressure on the South African Rand which effectively choked off any support from Johannesburg.

The Gold Mines index dropped 17.4 to 369.3, a fall of 35.6 on the week so far and its lowest level since November 15 1982.

Vaal Reefs were especially vulnerable and retreated £4¾ to £59, while Randfontein gave up £2 to £70¾. Free State Geduld and Western Deep lost £1¼ apiece at £16½ and £28¾ respectively.

South African Financials were similarly depressed and showed De Beers 13 lower at 382p, "Amgold" £2 off at £61⅛ and Middle Wits 75 cheaper at 825p. In Platinums, falls of 20 were common to Impala, 700p, and Lydenburg 490. Rustenburg lost 10 at 630p.

Australian Golds were again major beneficiaries of the heavy losses in South Africans. Gold Mines of Kalgoorlie settled 20 to the good at 507p, while gains in the region of 5 were common to Poseidon, 196p, and Central Norseman Gold, 453p. Metana Minerals jumped 14 to a year's best of 124p following the encouraging drilling report from the company's North Morning Star leases at Mount Magnet in Western Australia. Southern Resources rose 7 to a 1985 high of 110p.

Relatively subdued conditions prevailed in Traded Options and a mere 6,412 contracts were completed, comprising 3,866 calls and 2,546 puts.

FINANCIAL TIMES STOCK INDICES

	July 24	July 23	July 22	July 19	July 18	July 17	year ago
Government Secs	83.25	83.29	82.96	83.08	83.39	83.56	76.21
Fixed Interest	88.29	88.26	88.14	88.15	88.26	88.00	80.73
Ordinary ♥	926.0	†921.1	935.3	935.4	932.8	933.6	770.2
Gold Mines	369.3	386.7	385.2	404.9	407.2	410.8	494.2
Ord. Div. Yield	5.01	5.03	5.01	4.97	4.99	4.99	5.28
Earnings, Yld. % (full)	13.60	12.55	12.51	12.40	12.45	12.46	12.15
P/E Ratio (net) (*)	9.77	9.73	9.76	9.85	9.81	9.81	9.89
Total bargains (Est.)	20,328	19,500	19,358	19,850	19,753	19,600	16,484
Equity turnover £m.	—	238.98	252.96	300.67	414.0	469.8[illegible]	169.24
Equity bargains	—	15,343	14,791	14,932	16,505	15,732	11,659
Shares traded (ml)	—	138.3	129.5	169.5	205.6	209.6	105.4

♥ 10 am 923.6. 11 am 922.6. Noon 923.3. 1 pm 923.9. 2 pm 923.9. 3 pm 9239. 4 pm 924.4.

Day's High 926.0. Day's Low 922.4.

Basis 100 Govt. Secs. 15/10/28. Fixed Int. 1928. Ordinary 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

Latest Index 01-246 8026.

* Nil = 9.44.

† Corrected.

HIGHS AND LOWS

—	1985 High	1985 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	83.56 (17/7)	78.02 (28/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	88.29 (24/7)	82.17 (28/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ordinary	1024.5 (22/1)	921.1 (23/7)	1024.5 (22/1/85)	49.4 (26/6/40)
Gold Mines	556.9 (15/4)	369.3 (24/7)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY INDICES

	July 23	July 22
Daily Gilt Edged Bargains	146.6	165.8
Equities Bargains	99.4	95.5
Equities Value	574.0	511.3
5 day Average Gilt Edged Bargains	160.8	166.0
Equities Bargains	100.1	99.8
Equities Value	695.5	730.8

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	13	25	70
Corpns. Dom. and Foreign Bonds	6	2	70
Industrials	243	264	962
Financial and Prop.	92	89	375
Oils	19	31	78
Plantations	1	9	8
Mines	28	72	79
Others	76	78	87
Totals	478	570	1,729

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
July 8	July 19	Oct 10	Oct 21
July 22	Aug 2	Oct 24	Nov 4
Aug 5	Aug 16	Nov 7	Nov 18

For rate indications see end of Share Information Service

Stocks favoured for the call included Premier Cons, Brunswick Oil, Buckleys Brewery, Hawley Leisure, Eglinton Oil, First Land Oil and Gas, Bridon, Falcon Resources, Comtech, Marley, British Aerospace, Warrior Resources and C. H. Bailey. Puts were arranged in Polly Peck, S and U Stores, Jardine Matheson, Hutchison Whampoa and Hong Kong Telephone, but no doubles were reported.

NEW HIGHS AND LOWS FOR 1985

NEW HIGHS (23)

BRITISH FUNDS (1)
Treas. 3pc 1989
LOANS (1)
Nationwide 12½pc 24/2/86
CANADIANS (1)
Intl. Corona Res.
BANKS (1)
Algemene Bk. Ned.
BREWERS (2)
Buckley's Brewery Marston Thompson
STORES (1)
Ratners (Jewellers)
ELECTRICALS (1)
Breville Europe
ENGINEERING (3)
TI Woodhouse & Rixson
Triplex
FOODS (1)
Cullen's Hldgs.
INDUSTRIALS (4)
Bowater Inds. Reed Executive
GR (Hldgs.) Williams Hldgs.
LEISURE (1)
First Leisure
NEWSPAPERS (1)
Collins (Wm.) A
PROPERTY (3)
Connells Est. Agents Town Ests. 7½pc Cnv. 2014
Rosehaugh
TRUSTS (1)
Scottish Northern
MINES (1)
Southern Resources

NEW LOWS (119)

AMERICANS (15)
CANADIANS (1)
BANKS (2)
BREWERS (2)
BUILDINGS (1)
CHEMICALS (1)
STORES (2)
ELECTRICALS (15)
ENGINEERING (3)
FOODS (2)
INDUSTRIALS (15)
INSURANCE (1)
LEISURE (1)
MOTORS (1)
PAPER (1)
PROPERTY (2)
SOUTH AFRICANS (1)
TEXTILES (1)
TRUSTS (6)
OILS (7)
PLANTATIONS (3)
MINES (34)

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Wed July 24 1985 Index No.	Day's Change %	Est. Earnings Yield% (Max.)	Gross Div. Yield% (ACT at 30%)	Est. P/E Ratio (Net)	xd adj. 1985 to date	Tues July 23 Index No.	Mon July 22 Index No.	Fri July 19 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (205)	491.23	+0.4	11.52	4.59	10.93	8.47	489.14	491.20	497.85	456.80
2	Building Materials (22)	526.91	-0.1	12.58	5.03	9.77	9.87	527.67	527.66	533.71	412.23
3	Contracting, Construction (29)	806.33	—	12.43	5.12	10.39	16.69	806.65	802.08	811.06	605.69
4	Electricals (14)	1316.49	+0.4	12.08	5.58	10.59	31.82	1311.68	1323.25	1337.27	1406.87
5	Electronics (38)	1326.52	+1.2	11.45	3.66	11.56	16.06	1310.57	1316.88	1349.51	1631.26
6	Mechanical Engineering (62)	266.58	+0.4	12.33	5.27	9.83	5.36	265.51	268.03	269.85	233.12
8	Metals and Metal Forming (7)	182.69	+0.6	13.58	8.51	9.25	4.13	181.59	180.08	182.16	178.15
9	Motors (16)	149.85	-0.5	14.39	5.59	8.62	3.20	150.64	151.73	151.86	112.83
10	Other Industrial Materials (17)	865.08	+0.2	8.10	3.87	14.95	14.56	863.66	868.96	876.81	599.68
21	CONSUMER GROUP (177)	634.87	+0.4	10.10	4.11	12.30	10.41	632.24	636.25	639.91	467.80
22	Brewers and Distillers (24)	608.46	—	11.54	4.69	10.95	8.61	608.14	613.50	615.34	486.74
25	Food Manufacturing (21)	472.13	—	12.52	5.16	10.13	11.86	471.98	474.74	475.32	367.47
26	Food Retailing (14)	1504.09	+0.6	5.99	2.77	22.05	12.87	1495.62	1504.06	1509.81	1078.31
27	Health and Household Products (9)	1006.90	+1.2	6.67	2.94	17.58	11.23	995.14	1000.87	1004.97	762.90
29	Leisure (22)	594.67	+0.3	9.71	5.52	13.51	13.45	592.80	594.80	597.90	522.19
32	Newspapers, Publishing (12)	1720.43	+0.7	8.94	4.49	14.40	37.18	1708.03	1728.49	1728.79	1168.94
33	Packaging and Paper (13)	332.14	+2.2	10.66	4.48	11.13	6.10	325.07	330.12	326.88	215.43
34	Stores (42)	635.53	+0.2	8.00	3.39	16.92	9.30	634.16	635.19	644.82	401.68
35	Textiles (17)	304.96	—	15.59	5.26	7.27	7.25	305.06	307.60	309.71	246.48
36	Tobaccos (3)	775.67	+0.2	18.75	5.54	6.01	17.44	774.48	784.75	788.94	600.56
41	OTHER GROUPS (101)	654.47	—	9.90	4.30	12.80	11.15	654.17	657.48	661.21	412.94
42	Chemicals (19)	677.54	+0.5	15.18	5.46	8.14	15.59	674.34	673.43	682.78	549.58
44	Office Equipment (4)	189.44	+0.9	8.44	4.64	14.14	3.58	187.66	187.24	188.88	124.17
45	Shipping and Transport (12)	1112.42	+1.2	8.88	4.72	13.97	25.43	1099.76	1108.91	1115.66	805.82
46	Miscellaneous (64)	797.53	+0.1	7.99	3.99	15.28	10.79	796.94	799.20	803.10	568.73
48	Telephone Networks (2)	836.99	-0.4	8.93	3.88	14.95	13.20	840.20	849.82	850.23	0.0
49	INDUSTRIAL GROUP (483)	609.03	+0.3	10.39	4.28	12.06	10.23	607.11	610.43	615.08	460.88
51	Oils (17)	1094.23	+0.4	17.10	7.67	7.19	38.38	1089.98	1106.47	1106.79	962.30
59	500 SHARE INDEX (500)	649.78	+0.3	11.28	4.73	11.07	12.49	647.66	652.03	656.36	502.88
61	FINANCIAL GROUP (115)	462.47	+0.3	—	5.13	—	10.03	461.31	464.94	468.90	363.91
62	Banks (6)	474.62	+0.2	16.30	6.12	8.76	11.71	473.51	477.82	489.99	348.98
65	Insurance (Life) (9)	719.45	-0.1	—	4.51	—	14.71	720.43	728.66	724.85	502.40
66	Insurance (Composite) (7)	360.40	-0.1	—	5.42	—	8.53	360.72	364.43	367.06	276.07
67	Insurance (Brokers) (7)	1022.27	+0.4	9.18	4.05	14.56	20.10	1018.14	1029.39	1027.23	775.99
68	Merchant Banks (11)	229.28	-0.1	—	4.81	—	4.92	229.59	227.93	228.79	184.10
69	Property (50)	602.23	+0.5	6.22	3.92	21.57	9.28	599.34	600.01	600.15	548.58
70	Other Financial (25)	264.61	+1.3	9.29	6.13	13.15	7.33	261.34	264.54	267.76	224.39
71	Investment Trusts (107)	566.23	+0.2	—	3.87	—	9.28	564.84	565.42	566.47	458.09
81	Mining Finance (3)	255.32	-0.1	12.72	6.00	9.13	5.29	255.61	259.13	265.57	254.69
91	Overseas Traders (14)	611.36	+0.3	12.37	6.46	9.71	20.59	609.66	612.81	615.34	497.34
99	ALL-SHARE INDEX (739)	596.93	+0.3	—	4.78	—	11.70	595.12	599.12	603.26	466.78

	Index No.	Day's Change	Day's High	Day's Low	July 23	July 22	July 19	July 18	July 17	Year ago
FT-SE 100 SHARE INDEX	1236.2	+3.1	1237.2	1233.2	1233.1	1241.1	1252.5	1248.6	1247.3	996.2

FIXED INTEREST

	PRICE INDICES	Wed July 24	Day's change %	Tues July 23	xd adj. today	xd adj. 1985 to date
	British Government					
1	5 years	118.63	+0.02	118.60	—	6.71
2	5-15 years	132.13	-0.06	132.21	—	8.11
3	Over 15 years	139.24	-0.02	139.27	—	6.87
4	Irredeemables	150.55	—	150.55	—	7.27
5	All stocks	130.21	-0.02	130.24	—	7.50
6	Debentures & Loans	112.47	-0.03	112.56	—	6.08
7	Preference	79.88	-0.11	79.97	—	3.64
	BRITISH GOVERNMENT INDEX-LINKED STOCKS					
8	All stocks	109.85	+0.24	109.59	—	1.95

	AVERAGE GROSS REDEMPTION YIELDS		Wed July 24	Tues July 23	Year ago (approx.)
	British Government				
1	Low Coupons	5 years	10.10	10.09	11.92
2		15 years	10.19	10.18	11.51
3		25 years	10.19	10.18	10.89
4	Medium Coupons	5 years	10.96	10.94	12.95
5		15 years	10.51	10.50	12.07
6		25 years	10.08	10.08	11.26
7	High Coupons	5 years	[illegible]	[illegible]	[illegible]
8		15 years	[illegible]	[illegible]	[illegible]
9		25 years	[illegible]	[illegible]	[illegible]
10	Irredeemables		[illegible]	[illegible]	[illegible]
11	Debs & Loans	5 years	11.45	11.44	12.86
12		15 years	11.34	11.34	12.99
13		25 years	11.26	11.23	[illegible]
14	Preference		12.37	12.35	13.42
15	Inflation rate	5%	3.67	3.69	3.96
16		10%	3.47	3.49	3.77

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

EUROPEAN OPTIONS EXCHANGE

Series	Aug. Vol.	Aug. Last	Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	Stock
GOLD C	[illegible]	[illegible]	—	—	—	—	$318.70
GOLD C	[illegible]	[illegible]	28	9	—	—	"
GOLD C	—	—	15	3.50	—	—	"
GOLD P	—	—	112	4.50	5	6	"
GOLD P	—	—	6	23	—	—	"
[illegible]							

TOTAL VOLUME IN CONTRACTS: 26,193

A=Ask B=Bid C=Call P=Put

LONDON TRADED OPTIONS

Option		Calls Jly.	Calls Oct.	Calls Jan.	Puts Jly.	Puts Oct.	Puts Jan.
B.P. (*511)	460	53	67	—	0½	6	—
	500	13	34	47	1	22	27
	550	0½	12	25	40	50	55
	600	0¼	6	15	90	95	100
Cons. Gold (*479)	460	22	44	—	1	15	—
	500	1	27	38	27	[illegible]	[illegible]
[illegible]							

Option		Calls Aug.	Calls Nov.	Calls Feb.	Puts Aug.	Puts Nov.	Puts Feb.
Lonrho (*165)	140	27	—	—	1½	—	—
	160	7	14	19	5	6½	8½
	180	1	6	10	18	21	25
P. & O. (*363)	330	38	47	57	3	7	11
	360	13	27	35	10	17	23
[illegible]							

July 24 Total Contracts 6,412. Calls 3,866. Puts 2,546

* Underlying security price

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1985 High	1985 Low	Stock	Closing Price p	+ or –	Net Div.	Times Covered	Gross Yield	P/E Ratio
[illegible]											

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1985 High	1985 Low	Stock	Closing Price £	+ or –
[illegible]							

RIGHTS OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1985 High	1985 Low	Stock	Closing price p	+ or –
[illegible]							
120	Nil	30/8	8pm	5pm	Prestwich	5pm	+1
600	F.P.	20/8	700	643	Union Discount £1	690	+10
A$1.25	Nil	—	5pm	3pm	♥Woodside Pet. A$0.50	3pm	

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimates. *g* Assumed dividend and yield. *u* Forecast dividend cover based on previous year's earnings. *p* Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or takeover. ‖‖ Allotment letters or fully paid. ‖‖ Introduction. @ Unlisted Securities Market. § Placing price. ‡‡ Dealt in under Rule 535 (3). Dealt in under Rule 535 (4) (a).

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
AE	122	-10
Abbey Life	226	+ 2
Burmah Oil	280	- 2
Commercial Union	208	- 1
Dowty	170	+ 4
Evered	252	+10
Extel (nil-paid)	31pm	-17
GRE	715	—
Jaguar	252	- 2
Mount Charlotte	87	+ 1½
Polly Peck Intntl.	225	+10
Royal Insurance	685	—

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Tues. close	Day's change
Beecham	14	323	+ 8
Bell (Arthur)	14	245	+10
ICI	14	686	- 1
BTR	13	315	- 1
CASE	13	781	-15
Falcon Res.	13	55	+ 7
STC	13	92	- 4
Bass	12	540	-12
Cns. Gold Flds.	12	483	- 9
BET Defd.	10	315	+10
BP	10	508	- 5
NatWest. Bank	10	678	- 2
Prudential	10	660	- 8
Shell Transport	10	668	-17

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WORLD STOCK MARKETS

AUSTRIA

July 24	Price Sch.	+ or −
Creditanstalt	348	......
Goesser	521	......
Interunfall	1,600	−75
Laenderbank	343	+2
Perlmooser	576	......
Steyr-Daimler	184	+5.2
Veitscher Mag	554	+4

BELGIUM/LUXEMBOURG

July 24	Price Frs.	+ or −
B.B.L.	2,010	−20
Banq. Gen Lux	6,300	......
Banq. Int. A Lux	6,020	......
Bekaert B	5,710	+10
Ciment CBR	2,275	−25
Cockerill	206	−3
Delhaize	6,700	......
EBES	2,930	......
Electrobel	6,610	+30
Fabrique Nat	1,995	......
GB Inno BM	3,715	+15
GBL (Brux)	1,860	......
Gevaert	4,000	+40
Hoboken	5,470	......
Intercom	2,280	+10
Kredietbank	8,910	+10
Pan Hldgs.	10,500	......
Petrofina	5,610	......
Royale Belge	12,250	......
Soc. Gen. Banq	3,380	−20
Soc. Gen. Belge	1,800	−5
Sofina	7,200	−50
Solvay	4,525	+60
Stanwick Intl.	1,400	......
Tractionel	3,735	+35
UCB	5,020	+40
Wagon Lits	2,980	−70

DENMARK

July 24	Price Knr %	+ or −
Andelsbanken	342	+7
Baltic Skand	690	−5
CopHandelsbank	335	+4
D. Sukkerfab	505	......
Danske Bank	365	+4
De Danske Luft	1,295	+20
East Asiatic	240	+3
Forenede Brygg.	915	......
Forenede Damp.	186	+3
GNT Hldg	414	−1
I.S.S.B.	470	+10
Jyske Bank	790	......
Novo Ind s	1,775	+30
Privatbanken	337	+8
Provinsbanken	385	+5
Smidth (F.L) B	283	+4
Sophus Berend	1,145	+10
Superfos	476	−4

FRANCE

July 24	Price Frs.	+ or −
Emprunt 4½% 1973	1,600	+5
Emprunt 7% 1973	8,275	+40
Accor	270	+2
Air Liquide	520	+10
BIC	515	+4
Bongrain	1,820	−20
Bouygues	811	+21
BSN Gervais	2,240	−60
CIT-Alcatel	1,195	+5
Carrefour	2,140	−20
Club Mediter'n	546	+13
Cie Bancaire	624	+3
Cofimeg	292	+0.1
Damart	1,835	−65
Darty	1,370	+22
Dumex S.A.	787	−6
Eaux (Cie Gen)	656	−6
Elf-Aquitane	185	−2.5
Essilor	2,200	−28
Gen.Occidentale	712	−10
Imetal	98.1	+1
Lafarge Coppee	539	+2
L'Oreal	2,410	−10
Legrand	2,246	+20
Maisons Phenix	290.1	−6.9
Matra S.A.	1,701	+1
Michelin B	1,148	−17
Midi (Cie)	2,800	−10
Moet-Hennessy	1,845	−10
Moulinex	87	+2
Nord Est	90.3	+2.2
Pernod Rica	716	+1
Perrier	516	−1
Petroles Fra	208	+1
Peugeot S.A	361	−1
Printempts Au	277	+1
Radiotech	280	+4.5
Redoute	1,417	−4
Roussel-Uclaf	1,540	−55
Sefimeg	355	+2
SkisRossignol	1,419	+39
Telemec Elect	2,535	[illegible]
Thomson CSF	530	[illegible]
Valeo	225	+2

NOTES—Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

GERMANY

July 24	Price Dm.	+ or −
AEG-Telef	129	−2
Allianz Vers	1,599	−6
BASF	216.5	−2.5
Bayer	216.5	−2.5
Bayer-Hypo	361	−6
Bayer-Verein	398	−11
BHF-Bank	326	−6
BMW	410.5	−1.5
Brown Boveri	233.5	+1
Commerzbank	220	−3.5
Cont'l. Gummi	145	+0.3
Daimler-Benz	838xd	−4.5
Degussa	364	−3
D'sche Babcock	152.5	−3.3
Deutsche Bank	574.5	−9.1
Dresdner Bank	278	−2.8
GHH	162.5	−2
Hochtief	610	−15
Hoechst	215.2	−3.3
Hoesch Werke	110.8	−0.1
Holzmann (P)	431	......
Horten	183	−1
Hussel	312	−5.5
Karstadt	233	−0.8
Kaufhof	259.5	−0.5
KHD	286	−1
Kloeckner	62.5	−0.5
Linde	487xr	−1.5
Lufthansa	221.5	−2
MAN	168	......
Mannesmann	192.5	−1.5
Mercedes Hld	758	−7
Metallgesell	258.5	−1.6
Muench Rueck	1,930	+5
Nixdorf	527	+0.5
Porsche	1,305	−15
Preussag	270.5	−0.5
Rhein West Elect	179.5	−1.5
Rosenthal	254	......
Schering	467.5	−10.5
Siemens	538	−8
Thyssen	117.6	+0.6
Varta	225.5	+1.5
Veba	227	−2.5
V.E.W.	134.5	......
Verein-West	336	−3
Volkswagen	296.5	−6.5

ITALY

July 24	Price Lira	+ or −
Banco Com'le	25,900	......
Bastogi-IRBS	235	......
B.I-Invest	4,820	......
Centrale	3,250	......
Credito Varesino	4,350	......
Fiat	4,084	......
Finsider	—	......
Generali Assicur.	55,500	......
Italcementi	46,000	......
La Rinascente	855	......
Montedison	2,045	......
Olivetti	6,900	......
Pirelli Co	5,350	......
Pirelli Spa	3,011	......
Sapiem	6,051	......
Snia BPD	3,350	......
Toro Assic	17,800	......
do Pref	12,950	......

NETHERLANDS

July 24	Price Fls	+ or −
ACF Holding	231	−7
AEGON	100.9	+0.5
Ahold	239.8	+1.3
AKZO	122.8	+2.5
ABN	501xr	−3
AMEV	27.53	+1.3
AMRO	88.3	+0.2
Bredero Cert	162	−3
Bos Kalis Westm	20.2	−0.2
Buehrmann-Tet	92.5	−0.3
Calland Hldgs	36.1	+0.2
Dordtsche Pet'm	175	−1
Elsevier NDU	130	+0.7
Fokker	72.4	−1.4
Gist Brocades	211.5	+0.2
Heineken	152.8	+1.9
Hoogovens	67.4	+1.6
Int Mueller	32.3	−0.2
KLM	62.2	−1.8
Naarden	48.8	−0.8
Nat Ned Cert	75.5	+0.8
Ned Mid Bank	214.5	+1.0
Nedlloyd	175.5	+1.5
Oce Grinten	349.5	+0.5
Ommeren (Van)	29	+0.2
Pakhoed	64.3	+1.3
Philips	48.6	−0.1
Robeco	76.6	−0.3
Rodamco	131.5	+0.1
Rolinco	69.7	−0.2
Rorento	45.8	−0.1
Royal Dutch	194.3	+0.3
Unilever	351	+4
VMF Stork	240	−0.5
VNU	[illegible]	[illegible]
Wessanen	181.2	−1.1
West Utr Bank	99.8	+0.1

NORWAY

July 23	Price Kroner	+ or −
Bergens Bank	145	−1
Borregaard	420	−2.5
Christiania Bank	141	−1.5
DenNorske Cred	143	−0.5
Elkem	130	......
Kosmos	212.5	−2.5
Kvaerner	168.5	−1.5
Norsk Data	358	−6
Norsk Hydro	104.5	......
Storebrand	266	+3

SPAIN

July 24	Price Pts %	+ or −
Bco Bilbao	354	......
Bco Central	316	......
Bco Exterior	200	......
Bco Hispano	152	−1
Bco Popular	340	......
Bco Santander	343	+2
Bco. Vizcaya	455	......
Dragados	143	+1
Hidrola	75	+1.5
Iberduero	91.2	+1.2
Petroleos	130	−0.3
Telefonica	118	......

SWEDEN

July 24	Price Kronor	+ or −
AGA	114	−1
Alfa-Laval B	197	......
ASEA (Free)	315	......
Astra (Free)	430	+5
Atlas Copco	109	......
Cardo (Free)	235	......
Cellulosa	126	−1
Electrolux B	261	−1
Ericsson B	251	+3
Esselte	365	......
Mo och Domsjo	168	−2
Pharmacia	212	−3
Saab Scania Free	410	+10
Sandvik	400	......
Skandia	338	−7
Skan Enskilda	82	......
SKF	229	−1
St Kopparbergs	138	+3
Sonesson	152	......
Sven Handlesbn	167	+1
Swedish Match	206	+5
Volvo B (Free)	251	−2

SWITZERLAND

July 24	Price Frs.	+ or −
Adia Intl	3,420	−30
Alusuisse	825	−16
Bank Leu	3,820	......
Brown Boveri	1,735	+15
Ciba Geigy	3,525	−5
do. (Part Certs)	2,700	−30
Credit Suisse	2,990	+10
Elektrowatt	3,250	−20
Fischer (Geo.)	925	−20
Hoff-Roche PtCts	96,000	+500
Hoff-Roche 1/10	9,625	+50
Jacobs Suchard	6,570	+30
Jelmoli	2,750	+250
Landis & Gyr	1,936	+15
Nestle	6,725	+235
Oer-Buehrle	1,545	+10
Pirelli	364	+2
Sandoz (Br)	9,000	+150
Sandoz (PtCts)	1,435	+35
Schindler (Pt Cts)	840	−2
Sika	1,340	+10
Surveillance	5,210	+135
Swissair	1,380	−17
Swiss Bank	485	+1
Swiss Reinsce	12,700	+100
Swiss Volksbk	1,810	+16
Union Bank	4,390	+40
Winterthur	4,600	+25
Zurich Ins	26,460	−50

AUSTRALIA

July 24	Price Aust $	+ or −
ANZ Group	5.32	+0.08
Alliance Oil Dev.	1.05	......
Ampol Pet	1.9	−0.05
Ashton	1.16	−0.01
Aust. Cons. Ind	2.8	......
Aust. Guarantee	2.75	......
Aust. Nat. Inds	2.72	−0.04
APM	2.95	+0.05
Bell Group	8.1	+0.3
Bell Res.	7.1	......
Bond Corp Hldgs	1.4	......
Boral	3.56	−0.05
Bougainville	2.15	+0.01
Brambles Inds	3.96	−0.04
Bridge Oil	2.65	+0.01
B.H. Prop	6.7	......
CRA	6.22	+0.04
CSR	3.15	−0.01
Castlemaine Tys	7.66	+0.06
Coles (G.J.)	4.05	......
Comalco "A"	2.16	+0.11
Consolidated Pet	0.3	......
Costain Aust	1.75	......
Dunlop Olympic	2.65	......
Elders IXL	3.8	+0.04
Energ Res	1.65	−0.01

AUSTRALIA (continued)

July 24	Price Aust $	+ or −
Gen. Prop. Trust	2.19	−0.01
Hardie (James)	3.2	+0.05
Hartogen Energy	2.5xc	......
Herald W'y'imes	4.82	+0.02
ICI Aust	2.06	−0.02
Jimberlana F.P	0.3	−0.01
Kia Ora Gold	0.13	+0.01
Lend Lease	7.0	......
MIM	2.9	−0.05
Mayne Nickless	3.18	+0.02
Myer Emporium	3.12	......
Nat. Aust. Bank	4.79	+0.09
News	8.7	+0.1
Nicholas Kiwi	2.0	......
North Bkn Hill	2.3	−0.05
Oakbridge	1.08	−0.02
Pancontinental	1.95	+0.03
Pioneer Conc	1.97	......
Poseidon	3.85	+0.15
Queensland Coal	1.77	......
Reckitt & Colman	3.8	+0.05
Repco	1.29	−0.01
Santos	5.6	......
Smith (Howard)	4.98	......
Thos. Natwide	2.2	−0.02
Tooth	6.0	......
Vamgas	3.85	−0.1
Western Mining	4.3	−0.04
Westpac Bank	4.9	......
Woodside Petrol	1.31	+0.01
Woolworths	3.27	−0.05
Wormald Intl	3.92	......

HONG KONG

July 24	Price H.K.$	+ or −
Bank East Asia	22.3	+0.3
Cheung Kong	17.9	−0.5
China Light	16.4	......
Evergo	0.83	+0.02
Hang Seng Bank	45.25	−0.25
Henderson Land	2.10	......
HK China Gas	11.2	−0.1
HK Electric	6.85	......
HK Kowloon Wh.	6.65	−0.05
HK Land	6.45	−0.05
HK Shanghai BK	7.55	......
HK Telephone	9.85xc	−0.05
Hutchison Wpa	26.8	−0.3
Intnl. City	0.95	......
Jardine Math	12.5	......
New World Dev	7.75	......
Orient O'seas	2.12	......
SHK Props	13.2	−0.1
Shell Elect	1.23	−0.02
Swire Pac A	26.0	−0.3
TV—B	7.85	−0.15
World Int. Hldgs	2.25	......

JAPAN

July 24	Price Yen	+ or −
Ajinomoto	1,160	+40
Alps Electric	1,290	+20
Amada	798	−25
Asahi Chem	849	+1
Asahi Glass	860	−9
Bridgestone	560	−10
Canon	945	−13
Casio Comp	1,400	−60
Chugai Pharm	920	−21
Citizen	405	+3
Daiei	700	−10
Dai Nippon Ptg	1,100	......
Daiwa House	750	−4
Ebara	472	+3
Eisai	1,230	−20
Fanuc	7,230	−70
Fuji Bank	1,800	+60
Fuji Film	1,880	+10
Fujisawa	835	−25
Fujitsu	885	+10
Green Cross	2,160	−10
Hasegawa	480	......
Heiwa Real Est	853	−7
Hitachi	700	+15
Hitachi Credit	1,130	+80
Honda	1,470	+20
House Food	751	−9
Hoya	1,510	−10
Itoh (C)	439	−10
Ito. Yokado	2,690	−10
Iwatsu	801	......
JACCS	351	−1
JAL	8,060	+400
Jusco	856	−6
Kajima	439	+29
Kao Soap	820	+4
Kashiyama	751	+12
Kirin	670	+1
Kokuyo	985	−10
Komatsu	535	−5
Konishiroku	674	+7
Kubota	356	+1
Kumagai	838	+3
Kyocera	3,750	+20
Maeda Const	879	+10
Makino Milling	890	−28
Makita	912	−3
Marubeni	387	−3
Marudai	640	+5
Marui	1,320	−10
MEI	1,340	+20
M'ta Elec Works	771	+26
M'bishi Bank	1,750	+60
M'bishi	674	−1
M'bishi Elect	360	−2
M'bishi Estate	950	......

JAPAN (continued)

July 24	Price Yen	+ or −
MHI	380	+2
Mitsui	430	......
Mitsui Estate	885	−5
Mitsukoshi	655	−2
NGK Insulators	734	−2
Nihon Cement	342	+2
Nippon Denso	1,490	+20
Nippon Elect	930	+1
Nippon Express	527	+8
Nippon Gakki	1,080	−10
Nippon Kokan	148	......
Nippon Oil	909	+4
Nippon Seiko	471	−5
Nippon Shimpan	688	+2
Nippon Steel	166	+2
Nippon Suisan	379	+5
NTV	10,500	+400
Nippon Yusen	307	−4
Nissan Motor	621	−5
Nisshin Flour	485	......
Nisshin Steel	170	−4
Nomura	1,310	......
Olympus	1,000	−30
Orient Leasing	2,800	−20
Pioneer	1,590	−10
Renown	748	+18
Ricoh	861	......
Sankyo	1,070	−10
Sanyo Elect	405	−1
Sapporo	470	+2
Sekisui Prefab	725	+5
Seven-Eleven	8,200	......
Sharp	800	−11
Shimadzu	580	−10
Shionogi	728	−1
Shiseido	1,090	−10
Sony	3,710	−40
Stanley	715	−5
S'tomo Bank	2,050	+60
S'tomo Elect	690	−10
S'tomo Marine	784	−2
S'tomo Metal	152	−1
Taihei Dengyo	627	−1
Taisei Corp	325	+10
Taisho Pharm	1,030	+10
Takeda	810	+10
TDK	3,910	−140
Teijin	447	−2
Teikoku	650	......
Tokio Marine	1,020	−10
TBS	930	+32
Tokyo Elect Pwr	2,180	−20
Tokyo Gas	235	−1
Tokyo Sanyo	660	−10
Tokyo Style	1110	+10
Tokyu Corp	537	−4
Toppan Print	885	......
Toray	466	−4
Toshiba Elect	352	−1
TOTO	778	+1
Toyo Seikan	1,150	−10
Toyota Motor	1,240	......
Victor	1,460	−10
Wacoal	753	+32
Yamaha	580	+5
Yamanouchi	2,880	+20
Yamazaki	785	−10
Yasuda Fire	663	+7
Yokogawa Bdge	780	+30

SINGAPORE

July 24	Price $	+ or −
Boustead Hldgs	1.56	−0.05
Cold Storage	3.44	−0.04
DBS	6.65	......
Genting	5.95	......
Haw Par. Bros	2.15	−0.02
Hong Leong Fin	2.83	+0.06
Inchcape Bhd	2.3	−0.01
Keppel Shipyard	1.35	−0.04
Malay Banking	5.85	......
Malay Utd. Ind	2.45	+0.01
Multi Purpose	0.92	−0.01
OCBC	8.6	−0.05
OUB	2.79	−0.06
Public Bank	1.56	......
Sime Darby	1.84	−0.08
Singapore Press	6.65	......
Straits Trdg	3.46xc	+0.04
Tat Lee Bk	2.6	−0.06
UOB	3.86	......

SOUTH AFRICA

July 24	Price Rand	+ or −
Abercom	1.55	−0.05
AE&CI	8.4	......
Allied Tech	57.5	−2.5
Anglo Am Coal	54	−0.1
Anglo Am Corp	28	−1.5
Anglo Am Gold	163	−7
Barclays Bank	19	......
Barlow Rand	11.75	−0.05
Buffels	60	−4
CNA Gallo	2.8	−0.6
Currie Finance	4.3	−0.05
De Beers	10.2	−0.25
Driefontein	40.5	−3
FS Geduld	45	−2
Gold Fields SA	88.5	−2.5
Highveld Steel	5.3	−0.05
Nedbank	14.85	−0.15
OK Bazaars	15	−0.9
Protea Hldgs	2.3	......
Rembrandt	40.5	......
Rust Plat	16.3	−0.5
Safren	15	−0.25
Sage Hldgs	10.75	−0.25
SA Brews	8.5	−0.2
Smith (CG)	29	−0.5
Tongaat Hulelts	6.75	−0.25
Uniseo	6.2	......

CANADA

TORONTO

Prices at 2.30pm July 24

Sales	Stock	High	Low	Close	Chng
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

MONTREAL

Closing prices July 24

Sales	Stock	High	Low	Close	Chng
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Total Sales 2,995,144 shares

Indices

NEW YORK-DOW JONES

	July 24	July 23	July 22	July 19	July 18	July 17	1985 High	1985 Low	Since Compilation High	Since Compilation Low
Industrials	1,342.18*	1,351.81	1,357.84	1,359.54	1,358.92	1,357.87	1359.54 (19/7)	1184.96 (4/1)	1359.54 (19/7/85)	41.22 (2/7/32)
Transport	685.18*	698.27	701.90	700.73	698.04	702.60	702.6 (17/7)	553.03 (4/1)	702.60 (17/7/85)	12.32 (8/7/32)
Utilities	157.42*	159.28	164.65	168.24	167.06	168.34	168.81 (12/7)	146.54 (4/1)	168.81 (12/7/85)	10.5 (28/4/42)
Trading vol		143.6m	94.0m	114.8m	131.3m	158.5m	–	–	–	–

	July 19	July 12	July 5	Year Ago (Approx)
Ind Div Yield %	4.51	4.58	4.58	5.14

STANDARD AND POORS

	July 24	July 23	July 19	July 18	July 17	July 16	1985 High	1985 Low	Since Compilation High	Since Compilation Low
Industrials	212.82*	213.84	215.21	215.83	214.47	215.52	215.83 (19/7)	128.24 (4/1)	215.83 (19/7/85)	3.62 (30/6/32)
Composite	190.70*	192.55	194.35	195.13	194.38	195.65	195.65 (17/7)	163.68 (4/1)	195.65 (17/7/85)	4.40 (1/6/32)

	July 10	July 3	June 26	Year Ago (Approx)
Ind div yield %	3.66	3.70	3.72	4.32
Ind. P/E Ratio	11.99	11.96	11.98	10.65
Long Gov Bond Yield	10.28	10.44	10.67	13.31

N.Y.S.E ALL COMMON

July 24	July 23	July 22	July 19	1985 High	1985 Low
110.57*	111.60	112.71	113.26	113.49 (17/7)	94.60 (4/1)

RISES AND FALLS

	July 23	July 22	July 19
Issues traded	2,019	2,023	2,010
Rises	606	532	1,066
Falls	975	1,051	540
Unchanged	438	440	404

New York Active Stocks

	Stocks Traded	3.00p.m. Price	Change on Day
Phillips Pet	2,634,300	12½	+ ⅛
Fed Exp Cp	1,681,800	48	− ¾
ATT	1,588,800	21½	− ⅛
BankAmer	1,538,100	17¼	− ⅛
Uncal Cp	1,438,908	29¾	+1
Boyu Ind	1,288,100	28⅞	− ⅝
IBM	1,229,100	128⅛	−1⅜
ITT Corp	1,123,800	31⅞	+1
Mobil	838,300	30¼	+ ⅛
Dow Chem	820,000	36½	unch

Advances 641 Declines 884

TORONTO

	July 24	July 23	July 22	July 19	1985 High	1985 Low
Metals & Minls	2,043.2*	2,038.19	2,014.1	2,026.1	2180.7 (13/2)	1896.0 (4/1)
Composite	2,772.8*	2,777.9	2,787.4	2,804.1	2884.2 (17/7)	2348.5 (8/1)
MONTREAL Portfolio	137.37*	137.56	138.74	139.33	139.33 (18/7)	117.08 (4/1)

* Indicates pre-close figure

	July 24	July 23	July 22	July 19	1985 High	1985 Low
AUSTRALIA						
All ord (1/1/80)	935.7	933.6	928.5	920.2	933.6 (23/7)	715.3 (7/1)
Metals & Mins (1/1/80)	545.7	546.1	538.4	525.8	583.6 (20/5)	362.5 (7/1)
AUSTRIA						
Credit Aktien (2/1/62)	98.67	100.01	99.93	99.25	105.73 (17/6)	85.21 (24/1)
BELGIUM						
Brussels SE (1/1/80)	2314.89	2313.61	closed	2311.42	2313 (23/7)	2080.7 (18/1)
DENMARK						
Copenhagen SE (3/1/83)	n/a	211.35	209.77	209.76	211.59 (11/7)	158.44 (8/1)
FRANCE						
CAC General (31/12/82)	218.3	217.9	n/a	217.8	233.1 (31/5)	180.9 (3/1)
Ind Tendance (28/12/84)	124.90	124.70	125.0	124.8	130.4 (31/5)	100.1 (3/1)
GERMANY						
FAZ Aktien (31/12/58)	477.85	477.87	481.44	480.57	502.82 (5/7)	382.39 (3/1)
Commerzbank (1/12/53)	1403.5	1405.8	1416.3	1412.1	1488.2 (5/7)	1111.8 (3/1)
HONG KONG						
Hang Seng Bank (31/7/64)	1665.63	1673.85	1689.85	1687.87	1689.85 (22/7)	1220.74 (2/1)
ITALY						
Banca Comm. Ital. (1972)	351.09	359.03	358.75	356.38	359.03 (23/7)	228.56 (2/1)
JAPAN**						
Nikkei-Dow (16/5/49)	12777.03	12762.83	12771.66	12788.54	13040.10 (6/7)	11545.2 (5/1)
Tokyo SE New (4/1/68)	1050.00	1042.10	1042.40	1042.05	1055.91 (9/7)	916.93 (4/1)
NETHERLANDS						
ANP-CBS General (1970)	219.1	218.1	219.2	218.2	220.9 (8/7)	185.6 (3/1)
ANP-CBS Indust (1970)	186.4	185.9	186.8	186.2	186.8 (22/7)	147.9 (3/1)
NORWAY						
Oslo SE (4/1/83)	n/a	345.80	346.53	340.03	346.53 (22/7)	289.18 (2/1)
SINGAPORE						
Straits Times (1966)	774.73	778.69	769.23	755.87	852.65 (7/3)	717.95 (15/7)
SOUTH AFRICA						
JSE Gold (28/9/78)	–	928.0	914.1	987.3	1140.8 (15/4)	838.1 (11/2)
JSE Indust (28/9/78)	–	1010.8	1009.7	1028.4	1038.8 (17/7)	767.1 (7/3)
SPAIN						
Madrid SE (28/12/84)	110.21	109.34	108.48	109.68	117.41 (4/2)	101.48 (2/1)
SWEDEN						
Jacobson & P (1/1/58)	1355.00	1351.89	1347.15	1330.7	1486.98 (11/2)	1285.32 (9/7)
SWITZERLAND						
Swiss Bank Cpn. (31/12/58)	488.5	481.8	480.7	459.7	489.1 (8/7)	386.7 (3/1)
WORLD						
Capital Intl. (1/1/70)	–	221.8	221.9	223.2	224.3 (17/7)	184.6 (4/1)

* Indicates pre-close figure ** Saturday July 20 Japan Nikkei Dow 12797.68 TSE 1042.05 Base values of all indices are 100 except Australia All Ordinary and Metals – 500 NYSE All Common – 50 Standard and Poors – 10† and Toronto Composite and Metals – 1000 Toronto Indices based 1975 and Montreal Portfolio 4/1/83 † Excluding bonds ‡ 400 industrials § 400 industrials plus 40 Utilities Financials and 20 Transports c Closed u. Unavailable

OVER-THE-COUNTER

Nasdaq national market, 2.30pm prices

Continued from Page 29

Stock	Sales (Hnds)	High	Low	Last	Chng
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

LONDON

Chief price changes (in pence unless otherwise indicated)

RISES

Tr. 2½% I.L. 2009	£98⅝	+⅝
Bowater Inds	313	+37
Breville Europe	26	+9
Buckley's Brew	83	+5
Dowty	170	+4
Energy Capital	66	+8
Evered	252	+10
Freshbake Foods	72	+6
Habitat Motherc	398	+8
Highland Parts	205	+15
Intl Signal & Cntl	267	+12
Jourdan (T)	122	+8
Marinex Petr	65	+5
Metana Minerals	124	+14
Ratners (Jewl)	93	+4
Security Centres	102	+17
TI	325	+6
Tomkins (FH)	191	+7
Williams Hldgs	310	+8
Woodhouse & Rix	36	+4½

FALLS

AE	122	−10
Cons Murch	410	−65
De Beers Defd.	382	−13
Extel	*31pm	−17
Hartebeest	328	−17
Milbury	35	−7
Vaal Reefs	£59	−4⅝
Valor	169	−10
Wayne Kerr	90	−15

* Nil-paid

Prices at 3pm, July 24

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 29

NYSE COMPOSITE PRICES

Continued from Page 28

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]										
17	11¾	Record .44		2.9	10	225	15½	15⅛	15⅜	
32½	27½	Reynlns1 20.		4.5	8	1270	27½	d25⅞	25⅞	−⅝
50	46⅝	Reyln pf4.10		8.4		34	49	48	48	
112¼	101⅞	Reyln pf				2518	109⅞	109⅝	109¾	+¼
41¼	26⅛	ReyMtl 1		2.7	9	629	37	36½	36¾	+½
38¼	25⅞	RchVckt 48		4.0	12	584	37	36⅝	36⅞	+⅛
29	17¼	RiegelTr.80		8	1	1	22¼	22¼	22¼	
33½	21	RiteAid .50		1.9	17	477	27⅜	27	27	−⅛
7⅞	3⅝	RvrOk n			10	106	4¼	4	4¼	+⅛
36⅝	27¼	Robshw1.12		3.3	8	76	34	33½	33½	−⅜
44½	26	Robtsn 1.80		5.3	18	70	30¼	29¾	30	−½
24⅜	12	Robins				4146	17¾	16	16⅛	−2⅝

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a-dividend also extra(s). b-annual rate of dividend plus stock dividend. c-liquidating dividend. cld-called. d-new yearly low. e-dividend declared or paid in preceding 12 months. g-dividend in Canadian funds, subject to 15% non-residence tax. i-dividend declared after split-up or stock dividend. j-dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k-dividend declared or paid this year, an accumulative issue with dividends in arrears. n-new issue in the past 52 weeks. The high-low range begins with the start of trading. nd-next day delivery. P/E-price-earnings ratio. r-dividend declared or paid in preceding 12 months, plus stock dividend. s-stock split. Dividends begins with date of split. sls-sales. t-dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u-new yearly high. v-trading halted. vi-in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd-distributed. wi-when issued. ww-with warrants. x-ex-dividend or ex-rights. xdis-ex-distribution. xw-without warrants. y-ex-dividend and sales in full. yld-yield. z-sales in full.

AMEX COMPOSITE PRICES

Prices at 3pm, July 24

Stock	Div	P/E	Sls 100s	High	Low	Close	Chng
[illegible]							

OVER-THE-COUNTER

Nasdaq national market, 2.30pm prices

Stock	Sales (Hnds)	High	Low	Last	Chng
[illegible]					

Continued on Page 27

FINANCIAL TIMES
WORLD STOCK MARKETS

WALL STREET

Rate fears cast shadow of concern

THE SHADOW of major selling programmes at several brokerage houses fell over Wall Street yesterday, bringing further losses in technology, airline and other sectors, *writes Terry Byland in New York.*

Concern over the outlook for interest rates brought renewed selling of utilities, insurance and other rate-sensitive stocks, as well as keeping bond prices subdued.

The trading session opened quietly but prices turned sharply down at noon when a significant fall in IBM led the technology sector lower. Disappointing corporate results weakened some consumer stocks.

At 3pm the Dow Jones industrial average was down 9.63 at 1,342.18.

The sharp upturn in durable goods orders in June has raised fears that interest rates may move higher. Bond prices have now fallen by nearly 3 per cent since Mr Paul Volcker's message to Congress discouraged hopes that the Fed might shortly ease credit policy.

Casualties among the insurance groups included Chubb, which continued to plunge, shedding $2⅛ to $68¾ despite the increased profits reported for the second quarter. General Reinsurance tumbled $3¼ to $83¾, and other insurers hit by the wave of interest rate nervousness included St Paul, $3¼ down at $83¾, and Ohio Casualty, $1⅜ down at $2½.

Scattered selling of utilites brought falls of $⅜ to $24⅜ in Southern Californian Edison, and $⅛ to $29⅞ in Pacific Gas & Electric.

In the airlines, United turned sharply down after upsetting the stock market with a new fare structure which was interpreted as a further indication of competitive pressures on domestic routes. At $54½, United stock was $1½ down.

American, also strongly entrenched in the domestic carrier market, fell $1⅛ to $47⅞, and Delta at $49⅝ shed $½. Pan Am gave up $¼ to $6⅞.

After a quiet start, IBM ran into renewed selling pressure, which took the stock down by $1⅜ to $128 and reversed early gains elsewhere in the technology sector. Honeywell at $64½ gave up $1⅛, and Digital Equipment fell $1⅛ to $101⅝.

The Detroit motor stocks, although discouraged by the second-quarter results from General Motors, lay idle. Ford, also due to report results, added $⅛ to $43½.

Poor figures from Du Pont completed the discomfiture of the chemical stocks. At $59½, Du Pont fell $¾, while Monsanto shed $⅞ to $53⅝. The rally in Union Carbide following recommendation from a leading brokerage house, was smartly reversed, leaving the stock $1⅜ down at $50⅝.

A weak feature was Litton Industries, down $3¼ at $79¼ after a broking house sharply reduced its estimate of 1986 earnings.

Disappointing second-quarter figures from General Foods, $1⅜ lower at $77⅞, and Gerber Products, $1⅞ off at $35, upset food stocks. Brewing stocks were hit by a fall of $1⅛ to $32¾ in Anheuser-Busch, Brewer of Budweiser beer, after news of lacklustre profits.

Other consumer-oriented stocks to ease on results were Koger, $¼ off at $22¾ and Revlon, $⅛ easier at $41⅛. But Hoover, the vaccum cleaner company, edged up $¼ to $28 on the results.

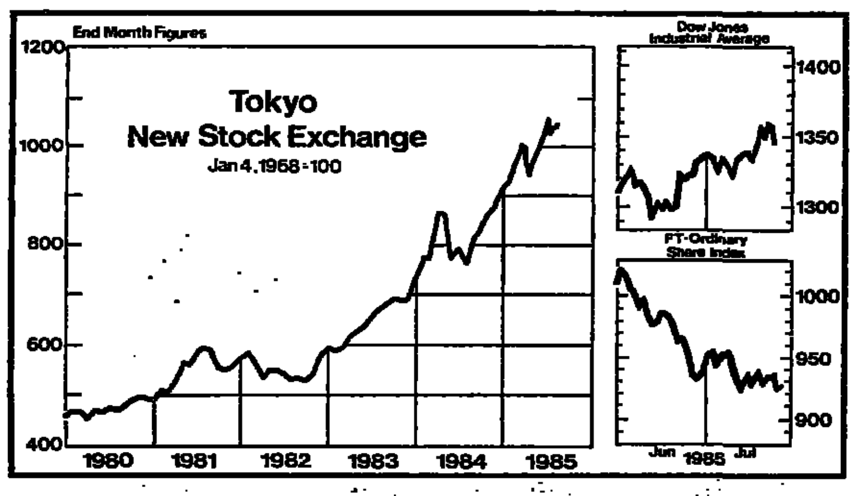
Lower profits in the manufacturing sector left Tenneco, $⅛ up at $41⅝, and Goodyear Tire, $⅛ off at $28. Oil stocks remained subdued as earnings reports from the leaders were digested. Sun eased $⅜ to $46½ despite higher profits and Mesa Petroleum, Mr T. Boone Pickens' company, dipped $½ to $14⅛, also after results.

Credit markets drew little benefit from an easier federal funds rate, which settled at 7½ per cent at mid-session. Short-term market rates remained just below overnight levels.

Bond prices opened with small losses and remained unsupported during the first half of the session. While views of the outlook for rates are still widely split, a more bearish consensus appears to be developing.

An easing in Federal Reserve policies appears less likely and, if the economy is gathering strength, interest rates may be forced higher. The bond market has failed to break out of the top end of its recent range, and prices seem to be marking time, with only the professional traders appearing in the market.

KEY MARKET MONITORS



STOCK MARKET INDICES

NEW YORK	July 24	Previous	Year ago
DJ Industrials	1,342.18*	1,351.81	1,086.57
DJ Transport	685.16*	698.27	445.16
DJ Utilities	157.42*	159.26	123.60
S&P Composite	190.70*	192.55	147.82
LONDON			
FT Ord	926.0	921.1	770.2
FT-SE 100	1,236.2	1,233.1	989.6
FT-A All-share	596.93	595.12	466.78
FT-A 500	649.78	647.66	502.88
FT Gold mines	369.3	386.7	770.2
FT-A Long gilt	10.17	10.16	11.35
TOKYO			
Nikkei-Dow	12,777.03	12,762.83	9,739.00
Tokyo SE	1,050.00	1,042.10	749.67
AUSTRALIA			
All Ord.	935.7	933.6	671.5
Metals & Mins.	545.7	546.1	404.9
AUSTRIA			
Credit Aktien	99.67	100.01	53.6
BELGIUM			
Belgian SE	2,314.89	2,313.61	—
CANADA			
Toronto			
Metals & Minls	2,043.2*	2,030.19	1,652.0
Composite	2,772.0*	2,777.9	2,079.7
Montreal			
Portfolio	137.37	137.56	100.36
DENMARK			
SE	n/a	211.35	186.14
FRANCE			
CAC Gen	218.3	217.9	159.8
Ind. Tendance	124.90	124.70	84.38
WEST GERMANY			
FAZ-Aktien	477.65	477.87	320.10
Commerzbank	1,403.5	1,405.8	926.2
HONG KONG			
Hang Seng	1,665.63	1,673.85	754.75
ITALY			
Banca Comm.	351.09	359.03	207.56
NETHERLANDS			
ANP-CBS Gen	219.1	218.1	146.8
ANP-CBS Ind	186.4	185.9	119.1
NORWAY			
Oslo SE	n/a	345.8	247.3
SINGAPORE			
Straits Times	774.73	778.69	867.75
SOUTH AFRICA	July 24	Prev	Yr ago
JSE Golds	–	928.0	835.3
JSE Industrials	–	1,010.8	847.9
SPAIN			
Madrid SE	110.21	109.34	91.55
SWEDEN			
J & P	1,355.00	1,351.99	1,465.82
SWITZERLAND			
Swiss Bank Ind	466.5	461.8	356.9
WORLD	July 23	Prev	Year ago
Capital Int'l	221.8	221.9	165.1

GOLD (per ounce)

	July 24	Prev
London	$318.25	$322.00
Zürich	$318.00	$321.60
Paris (fixing)	$319.48	$323.05
Luxembourg	$318.70	$323.00
New York (Aug)	$319.30	$318.30

* Latest available figure

CURRENCIES

	U.S. DOLLAR		STERLING	
(London)	July 24	Previous	July 24	Previous
$	–	–	1.397	1.411
DM	2.8875	2.8505	4.035	4.03
Yen	239.75	237.9	335.0	336.0
FFr	8.77	8.66	12.23	12.21
SwFr	2.367	2.3405	3.3075	3.3
Guilder	3.246	3.2045	4.5375	4.5275
Lira	1,923.0	1,905.5	2,694.0	2,695.0
BFr	58.1	57.25	81.05	80.85
C$	1.3518	1.3455	1.8889	1.9055

INTEREST RATES

	July 24	Prev
Euro-currencies (3-month offered rate)		
£	12	12
SwFr	5¼	5¼
DM	5⅛	5³⁄₁₆
FFr	10¼	10⁵⁄₁₆
FT London Interbank fixing (offered rate)		
3-month U.S.$	8³⁄₁₆	8¼
6-month U.S.$	8⅜	8⅜
U.S. Fed Funds	7.23*	7⅜
U.S. 3-month CDs	7.75*	7.90
U.S. 3-month T-bills	7½*	7.24

U.S BONDS

	July 24*		Prev	
Treasury	Price	Yield	Price	Yield
8½ 1987	99⁹⁄₃₂	8.45	99⁹⁄₃₂	8.919
10⅜ 1992	100⁷⁄₃₂	10.33	100⁹⁄₃₂	10.311
11¼ 1995	104²²⁄₃₂	10.47	104²¹⁄₃₂	10.459
11¼ 2015	105²⁴⁄₃₂	10.61	105²⁵⁄₃₂	10.595
Corporate	Price	Yield	Price	Yield
AT & T				
10⅜ June 1990	101	10.10	101	10.10
3⅞ July 1990	81	8.70	81	8.70
8⅝ May 2000	83¾	11.00	83¾	11.00
Xerox				
10⅞ March 1993	97.10	11.20	97.10	11.20
Diamond Shamrock				
10⅝ May 1993	96.785	11.25	96.785	11.25
Federated Dept Stores				
10⅞ May 2013	83¾	11.00	83¾	11.00
Abbot Lab				
11.80 Feb 2013	101¼	11.65	101¼	11.65
Alcoa				
12¼ Dec 2012	100.75	12.15	100.75	12.15

Source: Salomon Bros

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
Sept	75–26	76–11	75–25	75–30
U.S. Treasury Bills (IMM) $1m points of 100%				
Sept	92.75	92.82	92.75	92.74
Certificates of Deposit (IMM) $1m points of 100%				
Sept	92.08	92.16	92.08	92.08
LONDON				
Three-month Eurodollar $1m points of 100%				
Sept	91.77	91.87	91.77	91.70
20-year Notional Gilt £50,000 32nds of 100%				
Sept	112–15	112–26	112–14	112–25

COMMODITIES

(London)	July 23	Prev
Silver (spot fixing)	433.15p	434.75p
Copper (cash)	£1,084.00	£1,058.00
Coffee (Sept)	£1,521.50	£1,487.50
Oil (spot Arabian light)	$27.05	$27.05

TOKYO

Extended sojourn on sidelines

BUDGET-RELATED stocks and banks were hunted actively toward the close, sending prices slightly higher in Tokyo yesterday, *writes Shigeo Nishiwaki of Jiji Press.*

The Nikkei-Dow market average gained 14.20 to 12,777.03. Volume totalled 446m shares compared with Tuesday's 482m. Falls outpaced rises by 474 to 343 with 132 issues unchanged.

Investors continued to be concerned about high price levels for issues related to the Government's fiscal investments and loans programme. Leading biotechnology-related issues were burdened with high margin debts, and blue chips suffered from slackening semiconductor demand and Japan-U.S. trade friction. Investors were uncertain about the market direction and tended to stay on the sidelines.

On the trading floor, banks, were bought briskly on speculation that about 10 banking issues would be newly designated as stocks for Tokyo Stock Exchange margin trading by the end of this week.

There were indications that four lower-ranking city banks, including Daiwa Bank, and three trust banks, including Sumitomo Trust and Banking, could be selected as stocks eligible for margin trading, along with three or four regional banks.

Daiwa Bank added Y55 to Y790, Sumitomo Trust and Banking Y90 to Y1,510 and Bank of Yokohama Y83 to Y1,080.

All Nippon Airways, which is expected to be designated as stock for margin trading, topped the most active list with 21.38m shares traded, jumping Y24 to Y760.

After a weak start, issues related to the fiscal investments and loans programme regained strong buying interest. Kajima Corporation, second most active with 15.62m, rose Y29 to Y439, and Ohbayashi Corporation, third busiest with 15.06m shares traded, advanced Y11 to Y387. Wakachiku Construction, ninth with 6.13m shares, gained Y30 to Y586, and Toyo Construction, tenth with 6.06m shares, added Y27 to Y418.

Biotechnology-related stocks performed poorly, with Kaken Pharmaceutical losing Y80 to Y2,090 and Mochida Pharmaceutical down Y260 to Y11,140.

Among blue chips, TDK shed Y140 to Y3,910, Sony lost Y40 to Y3,710 and Olympus Y30 to Y1,000. But Hitachi closed Y15 higher at Y700 and Fujitsu advanced Y10 to Y885.

Bond prices plunged, dampened by increased selling by securities houses. The yield on 6.8 per cent government bonds, maturing in December 1994, rose sharply to 6.310 per cent from 6.280 per cent on the previous day.

AUSTRALIA

RECORD highs were again seen in Sydney, buoyed by strong foreign interest, especially in gold miners.

The All Ordinaries index added 2 to a new peak of 935.7.

Gold stocks to rise included GMK, up 30 cents to A$10.00, Central Norseman 40 cents to A$9.00, Kidston 10 cents to A$4.75, Placer 50 cents to A$25.50 and Poseidon 15 cents to A$3.85.

Among banks, National Australia added 9 cents to A$4.79, Westpac remained unchanged at A$4.90 and ANZ rose 6 cents to A$5.32.

See Lex, Page 10

SOUTH AFRICA

OVERSEAS investors continued to remain away from Johannesburg and this, coupled with a weaker bullion price, sent prices sharply lower.

France announced plans to withdraw its ambassador from South Africa and freeze all new investment there as a result of the declaration by Pretoria of a state of emergency.

Randfontein lost 10 cents to R182, Kloof R4.75 to R76 and Harties 60 cents to R8.60.

EUROPE

Return of resilient undertone

A FIRMER tone surfaced on most European bourses yesterday although German and Italian exchanges were preoccupied with currency rates and the prospects of new local taxes, respectively.

Amsterdam felt it judicious to ignore Wall Street's overnight failure to scale new heights and instead concentrated on domestic factors. The ANP-CBS General index rose 1.0 to 219.1 as some of the recently mauled internationals rebounded and the dollar showed signs of recovery in Europe.

Akzo finished at a 1985 high of Fl 122.80 with its Fl 2.50 surge while Unilever bounced back with a Fl 4 rise to Fl 351.

Foreign demand was evident again for Hoogovens as the support provided by West German buyers persisted and was extended to include Swiss investors. The steel group, which also benefited from a Dutch bank forecast on earnings moved closer to its high for the year with a Fl 1.60 advance to Fl 67.40.

Among publishers, Elsevier traded 70 cents higher to Fl 130 and VNU added Fl 1 to Fl 213.

Boskalis Westminster moved against the trend but still held above the Fl 20 level with its 10-cent decline to Fl 20.20.

KLM's broard optimism failed to find support in the market and the airline moved from its 1985 peak with a Fl 1.80 fall to Fl 62.20.

Financials were active with ABN down Fl 3 to Fl 501 ex-rights while the rights issue was traded at Fl 6. Amro firmed 20 cents to Fl 88.30 just below its high for the year. Insurer Amev weakened Fl 1.30 to Fl 275 although Nat-Ned added to Tuesday's rise with a further 80-cent gain to Fl 76.50.

Bonds remained lethargic.

Oil and chemical issues featured again in a higher **Brussels**. Petrofina, thinly traded in the previous session, was actively dealt but the industrial group finished the day unchanged at BFr 5,610. U.S. support was detected for Solvay which firmed a further BFr 60 to BFr 4,525 and UCB gained BFr 40 to BFr 5,020.

Wagons Lits shed all of Tuesday's strength with its BFr 70 retreat to BFr 2,980, while retailer GB-Inno-BM picked up BFr 15 to BFr 3,715.

Banks and insurers encountered only mild gains in a broadly higher **Zurich** that was at first reluctant to shrug off New York's overnight performance. However, the domestic corporate reporting season eventually focused investor concentration on the underlying strength of many Swiss shares.

Nestlé bristled with a SwFr 235 rise to SwFr 6,725, while retailer Jelmoli scored a proportionally more rewarding SwFr 250 jump to SwFr 2,750, a new high for the year.

Swiss Bank gained SwFr 1 to SwFr 485 while Union Bank managed another SwFr 40 gain to SwFr 4,390, a new 1985 high, on further consideration of its results. Zurich Insurance dipped SwFr 50 to SwFr 25,450.

Technical factors induced a cautious session in **Paris** as oil stocks continued weaker. Elf-Aquitaine hit another low for the year with a FFr 2.50 drop to FFr 185 although Total recovered FFr 1 from its low for the year to finish at FFr 208.

Elsewhere, Roussel Uclaf surrendered FFr 55 to FFr 1,540, BSN shed FFr 60 to FFr 2,240, although Skis Rossignol advanced FFr 39 to FFr 1,419

Exchange rate factors unsettled **Frankfurt** as export oriented sectors suffered another bruising day. The Commerzbank index slipped 2.3 points to 1,403.5.

Chemical, car and banking issues suffered the most although utilities proved mixed with RWE one of the few shares to rise during the session with a DM 1.50 gain to DM 179.50.

Bond prices advanced to up to 35 basis points in moderately active trading amid signals that domestic interest rates will decline.

The Bundesbank sold DM 12m in paper compared with Tuesday's DM 4.5m sales.

Milan reversed some of its recent gains on rekindled reports that the Finance Ministry is to introduce a special inheritance tax. Ministry officials have denied any such plans.

Fiat fell L34 to L4,084 while Montedison dipped L5 to L2,045. Elsewhere, insurers and banks eased.

Madrid tended higher and **Stockholm** recovered to finish little changed on balance.

CANADA

AFTER a 20-point slide on Tuesday, prices in Toronto started higher but proceeded to lose some of their early gains to trade mostly mixed.

Among actives, Inco lost C$⅛ to C$19⅝, International Thomson gained C$⅛ to C$9⅛ and Cominco rose C$⅛ to C$12½.

In Montreal, banks, industrials and utilities all showed gains.

LONDON

Low profile ahead of ICI result

INVESTORS maintained a low profile in London yesterday and the FT Ordinary share index made slow progress to close 4.9 higher at 926.0. Movements rarely exceeded one penny either way.

Bereft of indicators on the current trend of corporate profits, traders were content to await the key statement expected today from market leader ICI. Estimates of the group's earnings have been downgraded recently because of exchange rate fluctuations.

Activity in gilts was uninspired and prices often eased back from Tuesday's enhanced levels.

The index-linked sector was more interesting, however. Following a sizeable overseas buying order, the supply of the taplet Treasury 2½ per cent 2013 was exhausted at a price of 85¾. This encouraged business and several index-linked issues closed with rises of ⅛.

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HONG KONG

BARGAIN hunting brought prices up from their lows of the day in Hong Kong but most ended lower on the day as the technical adjustment continued.

Property issues suffered the most substantial losses with Hongkong Land off 5 cents at HK$6.45, Cheung Kong 30 cents lower at HK$17.90 and Sun Hung Kai Properties 10 cents off at HK$13.20.

Banks remained under pressure from falling local interest rates. Hang Seng Bank eased 25 cents to HK$45.25, Hongkong Bank was unchanged at HK$7.55 while Bank of East Asia rose 30 cents to HK$22.30 ahead of its interim results.

SINGAPORE

PROFIT-TAKING took Singapore lower after seven successive sessions of gains. The Straits Times industrial index shed 3.96 to 774.73.

Pahang Investment continued to attract interest, trading 2.7m. shares before closing unchanged at 64.5 cents.

Elsewhere, Keppel lost 4 cents to S$1.35, Pan-Electric 6 cents to S$2.25, New Straits Times 10 cents to S$7.00 and Sime Darby 5 cents to S$1.84.